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# THE COST OF LIVING

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PART ONE

WAGE STANDARDS



## THE MINIMUM WAGE AS PART OF A PROGRAM FOR SOCIAL REFORM

BY HENRY R. SEAGER, PH.D.,

Professor of Political Economy, Columbia University.

Any program of social reform for wage earners may be analyzed into two parts. One part aims to protect them in the continued enjoyment of their present standards of living. The other endeavors to assist them to advance these standards to ever higher levels. The proposal to establish minimum, or living, rates of wages by law for individuals and classes that are now so unfortunate as to fail to secure them is the link which connects these two parts into a consistent and comprehensive program. It is the logical supplement to protective measures designed to prevent wage-earners from losing ground in their struggle to rear their children to as favorable conditions as they themselves have known. It is the foundation on the basis of which all may be helped to maintain the health, efficiency and surplus energy essential to aggressive efforts on their own part to secure a progressively larger share of the social product.

That many individuals and classes, particularly in our large cities, do not now secure a living wage in return for their labor will I think be universally granted. Girls and women employed in the sweated trades and in department stores suffer especially from the inadequacy of their wages. There are many reasons for the unfavorable situation. Their invasion of the industrial field is still of comparatively recent date. Every year in American cities a larger and larger proportion of them seek gainful employment and the industrial opportunities open to them do not widen rapidly enough to prevent an over-supply in those trades in which they are already employed, with a consequent depression of earnings. Since many of them enter industries with no intention of being permanently employed—marriage and the care of a home and children being the normal goal of the working girl—they have not the incentive to acquire special training which boys have. The great majority, therefore,

present themselves as unskilled workers and compete for those employments for which no special training is necessary. Because of their transient connection with industry they cannot easily be drawn together into effective labor organizations. For them, more than for boys and men, the wages paid are the wages the employers offer, and unfortunately wages below a living level suffice in many industries to attract the needed supply of workers. Finally, their effort to be self-supporting is of so recent origin that a large proportion of them are satisfied if they can merely add something to the family income. They have no definite, independent standard of living and consequently are contented to accept wages that lighten more or less the burden of their support for their fathers or brothers or husbands, but are pitifully inadequate for that increasing number who do not live at home or whose home conditions are such that they must contribute their full share or even more than their full share to the family income if the whole group is to be adequately maintained.

There is no sovereign remedy for this situation. Advocates of the minimum wage who believe that it can be immediately relieved through a government fiat, to the effect that in future all who work for wages shall receive wages on which they can live in health and decency, prejudice their cause by claiming too much for their remedy. The minimum wage can not by itself effect a complete cure. It may serve, however, as a means of marking off sharply from the rest of the industrial army the individuals and classes who cannot earn living wages because their work is not worth a living return to their employers. A community which sets up this standard must at the same time, if it is really to make conditions better, supply the means for making the inefficient efficient, the unskilled skilled, the shiftless and standardless capable and ambitious to command wages on which they can get ahead rather than fall behind. It is my task in this paper less to defend a minimum wage than to show its relation to other needed reforms by whose aid it can be made practicable and beneficent.

Among those other reforms I should put first and foremost plans of social insurance. At present in these United States we are allowing each year thousands and hundreds of thousands of families to go to pieces, economically, socially and morally, because we make no organized social provision for those misfortunes to which wage earners are liable and for which, as our experience constantly proves, they cannot or will not make adequate provision themselves. As regards



one of these misfortunes, industrial accidents, we are happily at last aroused. The demand for adequate systems of workmen's compensation to take the place of our discredited employers' liability law is sweeping over the country like a crusade. When adequate compensation systems are in successful operation all over the United States one fruitful recruiting station for the unskilled and underpaid will be removed. It will no longer be necessary for the widow and children of the worker who is killed at his post, to face suddenly the problem of self-support, to take up in the emergency whatever work offers and by so doing to congest still further the labor markets which are already overcrowded and in which wages are therefore already below a living level. Widows will be allowed to continue to devote themselves to the rearing of their children, a need all the greater when the influence and example of the father are withdrawn from their young lives. Children will be permitted to continue in school to a more advanced age or to take more thought of future rather than of immediate earnings in choosing their employments. At the same time the victims of non-fatal industrial accidents themselves will have improved chances of recovering completely from their disability or of training themselves for some new occupation in which the lost arm, or leg or hand or eye will be less of a handicap on self-support and self-respect.

The examples of Germany and of the United Kingdom show us that their rational and humane treatment of industrial accidents is but a first step in a wide, and for us, new field. Even more serious as a menace to hard-won standards of living are illness and the premature death of the wage-earning head of the family. Through organized illness insurance, obligatory and all embracing, such as Germany has had since 1883 and the United Kingdom is just beginning to have through the national insurance act of 1911, the burden of illness and premature death which now falls with crushing weight on the individuals and families affected can be in part lifted and in part shifted. Under the systems of these countries illness for the wage-earner no longer means income cut off at the very time when necessary expenses are increased by doctor's bills, medicines and special dietary. Instead, on the one hand, part of the previous wages continues to be received by the family, while on the other, organized and systematized machinery for restoring the victim of the illness as quickly as possible to health and full earning capacity is set in opera-

tion. The United Kingdom, as one feature of its illness insurance system, will have a fund of \$5,000,000 a year to spend on hospitals and sanatoria. Germany in consequence of her more prolonged effort has seen the death rate reduced from 10 to each 1,000 wage earners insured in 1888 to only 7.8 to each 1000 in 1907. Neither one of these systems operates perfectly. On the basis of European experience it should be possible for us to introduce a still better system of illness insurance here. But when we do so we shall experience the same beneficial effects as regards relieving the congestion in the unskilled and underpaid labor market that Germany has experienced. There will be fewer widows with young children forced to take up the often impossible task of winning self-support without suffering serious deterioration. The family income, even though it continue small, will be more certain and regular and wise plans for enabling children to prepare for the better paid employments can be hopefully made and confidently carried out. Finally, the victims of illness themselves will be more frequently restored to full health and vigor before they return to work and in consequence there will be fewer human derelicts who do not earn a living wage simply because their work is so half-hearted and inefficient that they are not worth it to their employers.

Having attended to the needs of the victims of accidents and of illness in an organized social way, we shall have next to consider the problem of the men and women who are too old to command a living wage and yet have not the wherewithal on which to live without working. Germany met this problem in 1887 through an extension of her obligatory insurance system to provide for invalidity and old age. The United Kingdom, less wisely most students of the problem believe, met it in 1909 by providing gratuitous old age pensions for persons over seventy who are without living incomes from other sources. A study of the individuals and groups who cannot command living wages in the United States would show that many have passed the age when they ought to be expected to command any wages. We can moralize about the folly of their misspent youth and manhood or the danger of pauperizing such people by assuring them a living income after they reach the age of superannuation, but the simple truth is that in many cases old age poverty is the result, not of personal fault, but of sheer misfortune and that in all cases an organized system of obligatory insurance would provide for the men and women who are entitled by long service to discharge from the industrial

army with negligible injury to them and with enormous benefit not only to them but to the whole community.

Finally we have the misfortune of unemployment. Of all the ills to which wage-earners are liable this is perhaps the most demoralizing and the hardest to cope with through organized social effort. And yet the way which Belgium cities first pointed out has been entered upon by the United Kingdom with good prospect of success. There the first step was the organization of a chain of free employment bureaus connecting the labor markets of every corner of the kingdom into an organized unit designed to bring together, however they might be separated, the man-less job and the job-less man. When the 450 employment exchanges for which provision has already been made are in full operation they are expected to become the regular sources of supply for employers who wish more hands, as they will be the places to which men and women out of work will regularly apply for employment. That this expectation is not visionary is shown by the fact that in the first three months of 1911, when the system was still only partly organized, these exchanges found employment for 63,505 men and boys and 23,290 women and girls. Since distances in the United Kingdom are short these connected labor exchanges, in constant communication with one another, should serve to reduce unemployment to a minimum. Surplus workers in one locality where industries are slack can be diverted to other localities where the opportunities for remunerative employment are better. Moreover, through the data collected and published by these exchanges authoritative information will be for the first time available in reference to the occupations that are chronically over-crowded and the more desirable occupations in which the demand for workers is normally in excess of the supply. Such data may be made the basis of wise plans of industrial and trade education and of vocational guidance.

Equipped with these employment exchanges the bold step was next taken in the national insurance act of 1911 of making insurance against unemployment obligatory for some 2,400,000 employees in certain designated representative industries. Employers in these industries are required to attach 5-penny unemployment insurance stamps, which they buy from the post office, on each weekly pay day to the books which every employee is required to have. One-half of this premium they may deduct from the wages of the employee;

the other they must contribute themselves. From the funds so contributed, to which the government adds an amount equal to one-third of the combined contribution of employers and employees, weekly payments of 7 shillings are made to such of the insured as may be unable to secure employment and continued for a period of not more than fifteen weeks in any year. Frauds against the fund on the part of workers who prefer loafing to working are prevented by means of the public employment bureaus. All workers in receipt of unemployment benefits must be registered with these bureaus. Through them work can always be found for men who are believed to be deliberately loafing at the expense of the fund. Refusal to accept employment at the tendered wages of their accustomed trade becomes a ground for denying them further insurance benefits. As this system came into full operation only on January 15 last, it is too early to declare it a successful device for protecting wage earners from the worst consequences of unemployment—loss of efficiency, of ambition, and of self-respect. There is every indication, however, that it is going to be successful and that through it the United Kingdom has indicated to other countries the method by which they may supply this last and most necessary protection to the standards of living of their wage-earners.

By adopting plans of social insurance the United States would go far toward reducing within manageable limits the number of individuals who because of lack of training, lack of ambition, lost limbs or broken health become incapable of earning living wages. Fewer widows would be forced to neglect the care and training of their children for the sake of that even greater need—bread for them to eat. Fewer children would enter blind-alley employments and more would be deliberately trained for skilled occupations, even though this meant a year or more of industrial or trade training on top of the legally required book training, and correspondingly postponed wage-earning. Finally there would be fewer men and women broken in health or in spirit in consequence of accidents, illness, old age and unemployment, to supply the human fuel without which our sweated industries would be forced to organize on new lines.

As the enumeration of these benefits suggests, the next most important reform to accompany minimum wage regulations would be comprehensive provision for industrial and trade education and for vocational guidance. Starvation wages are due frequently to ex-

ploitation, frequently to physical, mental and moral defects in the workers, but most commonly to the fact that the untrained, unambitious and inefficient recipients are not worth living wages to their employers. If organized society is going to decree that in future no worker shall continue to be employed at less than living wages, undoubtedly some of the least efficient and capable will be promptly discharged. To justify the procedure, organized society must at the same time perfect the free public educational system so as to enable boys and girls actually to earn living wages. This cannot be done in a day but every step toward training boys and girls for the work which they are to undertake and guiding them wisely in the choice of their occupations is a step supplemental to a successful minimum wage regulation. Just as there are special schools in the public school system for children who are backward with their books, so there must be developed industrial and trade schools for young persons who are so backward in their work that they cannot command even the minimum wages which the law prescribes. And it will not be enough to provide such schools. Young persons incapable of adequate self support and without independent resources will have to be assisted while they are taking advantage of them. Moreover, if on completing the course they are still unable to earn an adequate living, they will have to be treated as defectives for whom still further measures must be taken. If their defects are of a sort that render them entirely harmless members of the community they may be given licenses to work for less than the minimum wage required for normal persons. If there are reasons for isolating them from contact with others, then they must be sent to farm or industrial colonies where they will be considerably and humanely cared for but under conditions that prevent them from inflicting injury on others. Critics of the minimum wage sometimes speak of this necessity which the plan presents of making special provision for the unemployable as if it were a new problem. It is not a new problem. We already have individuals who are physically or mentally or morally defective and we already try more or less adequately to care for them. The operation of a minimum wage requirement would merely extend the definition of defectives to embrace all individuals, who even after having received special training, remain incapable of adequate self-support. Such persons are already social dependents. The plan merely compels them to stand out clearly in their true character, and enables

them to receive that special consideration which their situation calls for.

One important part of the program with reference to those who are defective from birth is to prevent that monstrous crime against future generations involved in permitting them to become the fathers and mothers of children who must suffer under the same handicap. If we are to maintain a race that is to be made up of capable, efficient and independent individuals and family groups we must courageously cut off lines of heredity that have been proved to be undesirable by isolation or sterilization of the congenitally defective. Michigan has just passed an act requiring the sterilization of congenital idiots. This may seem somewhat remote from the minimum wage but such a policy judiciously extended should make easier the task of each on-coming generation which insists that every individual who is regularly employed in the competitive labor market shall receive at least a living wage for his work. We cannot continue to increase the sums we spend for the care of congenital defectives in consequence of our failure to prevent them from becoming the parents of more congenital defectives without encroaching on the expenditures we ought to make for the better education and training of the normal children of normal citizens.

Next to social insurance and industrial education the measures most needed to supplement minimum wage regulations are protective labor laws of the kind with which we are already quite familiar. Children must be protected from employment until they have attained the physical and mental growth necessary to enable them to stand the strain and the temptations of industrial life. Our progressive states now set the period at which they may begin work at fourteen. As we add facilities for industrial and trade training to our public school system we may well advance it, perhaps to sixteen. After entering industries children must be protected from excessive hours and dangerous employments till they have attained full development. Similar protective measures are needed by women and even by men in trades where they are not able to safe-guard their own interests through organization. All these protective regulations are designed to promote the health and efficiency of the workers benefited, and hence have a direct bearing on their wage-earning capacity. Such protective labor laws try to insure that wage-earners shall carry on their work under conditions favorable to the maintenance

of their health, vigor and efficiency. Both are necessary parts of an adequate program of social reform.

The minimum wage is a plan for making more effective the related measures of social reform that have been described. With their aid it should hasten the time when every man, woman and child who is gainfully employed would receive enough to be independently self-supporting. This does not mean that it will usher in the millenium. The minimum wage is as the phrase implies a bare living wage. Insisting that such a wage be paid to every worker will not directly affect the wages of most workers. In the United States the great majority command living wages already. If they did not the proposal to insist that the underpaid minority should also have such wages would be of doubtful practicability. It is only because the situation of the workers whose earnings are insufficient for his livelihood is exceptional and abnormal that there is reason to believe that organized society might enforce a decree that hereafter this abnormality shall disappear. The enforcement of a minimum wage requirement, therefore, is not going to make any very great or immediate difference in the lot of wage earners generally. Undoubtedly it will help to remedy some of the evils in our present situation that are most heart-rending. That vicious circle of falling strength and inefficiency because of inadequate earnings, and falling earnings because of decreased efficiency, in which many are now involved, will be broken into. The worker will be assured adequate food, clothing and shelter and started on the upward path toward higher efficiency due to better physical and mental health. Also that greatest disgrace of our civilization, prostitution in aid of inadequate wages, will be lessened. The \$8-a-week girl, should the minimum recently adopted by the International Harvester Company for its thousands of girl employees, become the legal standard, has more power to resist the temptations which our cities constantly present than the \$5-a-week girl. Then, too, the sweating system with its attendant evils of unhealthful surroundings, wholesale employment of children and irregularity of employment may be made unprofitable. If all workers had to be paid a living wage a premium would be put on the light and well equipped workshop and factory, and the type of employer who now thrives on the exploitation of helpless women and children would find himself at a disadvantage. These immediate benefits might be expected from a rigidly enforced minimum wage regulation.

More important, however, than these immediate benefits would be the long run influence of the change on the ability of wage-earners to secure better conditions through their own efforts. Protected from the wearing competition of the casual worker and the drifter, wage-earners in every industry would find it easier to organize to demand better conditions. The greater health and vigor of the whole wage-earning population would lead to more persistent and more intelligent participation in all the movements of the day. The tone of our political life would be elevated and invigorated and we should be better able to grapple with those great economic and social problems that concern not only wage earners but all of us. This is the answer to critics of the minimum wage who object that it is merely negative and that it does not go far enough. If it goes far enough to contribute to the health and vigor of the masses of our citizenship, it must react beneficially upon all the important movements of the day. It may not be directly related to the struggle to oust privilege from its strongholds or to shackle monopoly, but it strengthens the hands of those who make this their task by insuring them a more vigorous, independent and intelligent constituency. Thus it is a reform that should appeal to all classes of reformers. It will strengthen the foundation, a vigorous and independent citizenship, on which all must build. On these grounds I commend it to your consideration



## MASSACHUSETTS AND THE MINIMUM WAGE

BY H. LARUE BROWN,

Chairman, Massachusetts Minimum Wage Commission, Boston.

### *The Beginnings*

In 1911, representatives of a number of groups of Massachusetts people who had been studying social and industrial conditions and were particularly interested in the situation of our 350,000 working women, formed themselves into an organization for the purpose of presenting to the legislature some sort of definite proposal looking toward remedial legislation to meet certain conditions which seemed to be getting worse instead of better as time went on.

They knew that for more than fifteen years there had been a movement in the Antipodes which had started in Melbourne and had spread to all the parts of the present Australian Commonwealth and to New Zealand which dealt with the question of depressed wages and unenlightened employers by compelling the paying of a certain minimum wage fixed under public authority. They knew that, upon the whole, the results of that system of dealing with the question had been satisfactory and that in the light of those results and after careful consideration of their own situation, similar legislation had been accepted and put into operation by the English parliament.

Knowing these facts and with some knowledge of our own conditions they felt that it was probable that similar legislation was needed in Massachusetts as in other states of the United States but they also realized that the one irresistible argument in support of proposed legislation is the presentation of facts so ascertained as to be accepted by the public, demonstrating the need of such legislation. Accordingly under advice of counsel they presented to our General Court in 1911 a petition asking for such an investigation as would develop the facts relating to this matter authoritatively. It was said frankly that the petitioners believed that such an investiga-

tion would disclose conditions demanding remedy; and they said, "If it is a fact that there are in Massachusetts thousands of young women living in a state of semi-starvation, surrounded by terrible temptation, facing a prospect in which they are prematurely old, under-nourished, easy prey to disease and nervous collapse, unfit for motherhood, losing in self-respect and looking forward only to an old age of dependence, it is not only matter for wonder that so many are so patient, so uncomplaining and so good, but it is our imperative duty to set our house in order."

### *The Investigating Commission*

The *prima facie* case made by the petitioners with such evidence as was already at their disposal so impressed the legislature that, without attracting much public attention, a resolve was passed creating an investigating commission upon whose report the legislation of 1912 was framed. That commission was handicapped by limitations of time and of funds but it did remarkable work. It could hardly be said to have been prejudiced in favor of the principle of a legal minimum wage because at least three of its five members knew practically nothing about the principle at the time of their appointment. But it set out to find out facts. And the facts were mighty convincing.

I think it is a just tribute to say that the present status of the minimum wage in Massachusetts and, what is more important the great awakening of our public conscience as to the question of our working girls is chiefly due to the enthusiasm, the hard work and the inspiring influence of one of those splendid women who devote themselves to making this old world a better place for us all, Mrs. Elizabeth Glendower Evans of Boston.

The commission did two things:

1. It made a most enlightening report covering about fifteen thousand working women in Massachusetts which is filled with facts as to wages and living conditions which cry out aloud for remedy.
2. It recommended the passage of legislation providing for the determination, for each of those trades in which the condition of the women employed seemed to demand it, of a legal minimum wage through the agency of wage boards made up of representatives of the workers and employers engaged in the particular trade together with representatives of the public which were to investigate the situa-

tion in detail and to arrive at a conclusion under the supervision of a permanent commission created by the commonwealth.

There was no difference of opinion between the members of the commission as to the need of some legislation, although the particular conditions of the sweated trades are not so acute with us in Massachusetts as they are in many other communities and although it was the conditions in these trades that usually have been the exciting cause of the beginning of such legislation. There was a difference of opinion as to whether the law should be so framed as to compel by direct punitive action the payment of the wages so agreed upon. Four of five members of the commission united in recommending a coercive law. In so doing, they safeguarded the interests of the employers by requiring a two-thirds vote of the wages board to give their finding, if approved by the permanent minimum wage commission, that effect

### *The Legislation of 1912*

When this report came before our General Court, the fight opened in earnest. The proposal was denounced as socialistic, as revolutionary, as subversive of the conservative traditions of the commonwealth and as fatal to the continuance of our industries; all of which, it was predicted, would immediately pack up their belongings and depart from an ungrateful community. Ours is a conservative commonwealth, and yet we are proud of the fact that it has on the whole been an intelligent conservatism with a very strong tincture of what is sometimes called idealism but ought rather to be called enlightened common sense. In dealing with social and industrial questions this has been especially true and the Bay State has stood in the very forefront of advance in dealing with these matters.

Last spring, there were abroad those things which made even our "Tories" stop and think, while the electric lights of Lawrence were distorting the shadows of bayonets into question marks which those who intended running in November could read without difficulty.

Out of all the contending forces and over the most decided sort of opposition there came the minimum wage act of 1912. It was a compromise but a compromise which the believers in the measure were willing to accept as marking a great advance. The law establishes a permanent Minimum Wage Commission with authority to set in motion the machinery of investigation, and to give wide public-

ity to the facts so ascertained. To the point of approval and promulgation of a minimum rate determined for the industry in question by a wages board composed of representatives of the workers, of the employers and of the public there is no change from the bill recommended by a majority of the Investigating Commission. The commission can not compel the payment of the rate which it recommends. Herein lay the practical compromise that was necessary to obtain the passage of any legislation. But the commission can give the widest publicity to the facts which it finds to exist and also it can tell the people of the commonwealth what employers follow and what employers do not follow its recommendations.

### *The Probable Results of the Law*

The law does not go fully into effect until July 1 of this year. Awaiting that time our people who are acquainted with the situation are divided into three classes. There are those who feel that the law does not go far enough to be at all effective and that it should at once be given "teeth" by being made compulsory. There are those who believe that any statutory interference with wages is a wicked and impious thing and therefore that the present law or any law involving this principle goes too far.

To the stalwart objectors should logically be added, curiously enough, those thoroughgoing socialists who are the particular aversion of the individualists who make up its bulk. While the latter object to any such legislation as "socialistic" and therefore wholly bad, the more extreme socialists object to it with equal vehemence on the ground that it is a recognition of the wage system and therefore is utterly to be condemned as tending to perpetuate that manner of doing society's business.

Finally there are those who perhaps have thought most about the problem, whose effort really brought about there being any law at all of this character on our books. For them I may claim to be in some degree a spokesman and I think there is no doubt that they feel that while the law is weak in some respects and will in operation show defects that will require perfecting and strengthening amendment, it is, as it stands, an instrument of publicity of the greatest importance. That it is by no means certain that it will not in many cases produce the final results desired as rapidly and as effectually as a compulsory

law could do and with much less difficulty and that in any event it should be given a fair trial both that we may keep faith with the legislature which passed the act with our assent and in order that we may go about remedying its defects intelligently, guided by the light of actual experience.

It may be said with much force that the movement has already more than justified itself in its effects upon the public conscience; in that it has sharply directed attention to sore spots in our social and industrial organization to which too little intelligent thought had been given in the past; and in that already it has caused many of our employers to consider their own houses and to begin to plan to set them in order. Nor is this a phenomenon limited to Boston. While the example of a large and successful Boston department store has been a beacon light to those wishing to do the right but not clearly seeing the way, it is a source of great satisfaction that a great national organization of merchants having had their attention directed to the problem and to the unbusinesslike and as well as the unethical way in which it had been slighted have set about considering how they best can meet it without waiting for the spur of legislation to compel their action.

That on the whole it was recognized that there was need of some legislation of this character and that it was thought that the law enacted offered some prospect of progress toward the solution of the question or at least toward ascertaining the facts necessary for its solution would seem to be a fair inference from the fact that despite earnest opposition at various public meetings at which the matter was discussed and before the legislative committees which passed upon it, but one vote against it could be mustered in the two houses of the legislature. It was of course not a party measure but was supported by Democrats, Republicans and progressives of all shades of opinion. It was not a "labor" measure but received the consistent support of organized labor although organized labor is that class of labor least in need of assistance of this character.

It is not believed by the most ardent of those who supported the measure that it will prove a panacea. It probably should be regarded only as an important part of a general program of social advance. It may not, of itself, completely do even the one thing against which it is directed. But we have been a long time doing anything at all toward relieving the evil. And we believe that this will do much.

*The Difficulties*

That there are serious difficulties to be overcome in working out legislation of this character is undoubted. In some respects they may be less serious than in the case of more radical legislation but they are serious enough. Some of them are merely administrative. Others go to the fundamentals of the great problem of employment and efficiency in business.

Most of the difficulties however either are more apparent than real or else merely indicate the necessity for careful thought and considered action. For example, opponents of this legislation have much to say about the "inefficients" who are to be crowded out of employment, the girls who are not "worth" wages sufficient to keep them in health. It is argued most seriously that it will necessarily involve a most serious hardship to the community if our employers are told that they can not longer half-starve all of their employees because the result will be wholly to starve a few.

Where the question is not merely one of experience, which is dealt with later, it is first to be observed that there is nothing which makes for inefficiency like hunger, worry and discontent. As a rule you can be sure that the underpaid girl is hungry, that she is a victim of nearly continual worry, that she is overworked because she is trying to do her own cooking and washing as well as her work in the shop and that she is not getting the food and the care to keep her in condition to do good work even if her mental attitude could be such as to inspire it. No man can say how many of the girls now said to be inefficient and "not worth" the miserable wages paid would not be worth a higher wage if they were paid it. Service like many other things is apt to be worth about what it costs. If this sort of service were paid for under conditions which made for efficiency, it is very likely that the service would become efficient in proportion.

Where the inefficiency results from inexperience or disability, whether from age or other causes, it is quite easy to take care of such special classes and also to safeguard the exemption from abuse. The foreign statutes indicate clearly the manner in which this is to be done. It may however be assumed that there would be a certain irreducible minimum which would not do. If this proved to be so because the case was one of trying to fit square pegs in round holes, the remedy obviously is to put those pegs where the holes are square and procure round pegs for the holes left vacant. Finally, if there

are some who are inefficient just out of sheer "cussedness" it were better that they should be out of industry altogether and that we get them out where we can see them, tell how many there are and make up our minds directly what to do with them. That is the business-like way to meet that situation.

### *The Business of It*

That suggests the argument which the advocates of this sort of legislation should make in season and out. Namely that we need to have a change even if we have to compel it in our present method of dealing with the underpaid working girls for cold business reasons if for no other. It is axiomatic that you pay more for that for which you pay indirectly. There is the cost of transmission, if there is nothing else. It is equally axiomatic that you can not get something for nothing.

There have been several efforts to determine what is the least amount of money that must be spent to keep an adult human being alive and in such physical condition as to enable efficient work. The sum has been fixed as high as \$10.50 per week for a girl living in one of our large eastern cities. Even if it is as low as \$8 it is certain that there are many thousands of women who give all that they can in the way of time and labor and who receive less than that amount.

Now as a proposition of mathematics, if a girl must spend \$8.00 to keep alive and reasonably efficient and she only gets \$6.00 the difference between \$8 and \$6 is being accounted for in some other way. It may be accounted for in the millions spent in public and private charity. It may be accounted for in an attempt to stretch the meagre earnings of some other person, thereby compelling the industry that employs that person not only to support its own labor but to bear part of the cost of providing labor for some other industry. And it must be remembered that nearly one-third of the thousands of women who work for wages are entirely dependent upon those wages for legitimate support and in many cases are bearing all or part of some other person's burdens.

It may be accounted for by compelling a resort to various means of supplementing a girl's income of which the most obvious though in the final analysis not the most serious in its consequences is the terrible means of prostitution.

In some cases the difference is taken care of by the fact that the girl is able to live at something less than cost in the various endowed

homes, and in that case we are making up the difference in that it is our money that created those endowments.

Whenever the difference is made up in any of those ways, the people pay the difference and since they pay indirectly they necessarily pay more. From that point of view, then, a method of conducting society's business which involves the payment of wages less than the cost of existence is an uneconomical, and inefficient and thoroughly unbusinesslike system of social and industrial organization.

Where the difference is not so made up, we pay in yet a more wasteful and terrible way for then we pay in the most valuable asset society can have, in the health and strength, in the shattered nerves and weakened constitutions, in the physical ruin of those girls who should be fit to be mothers of efficient American citizens. Terrible in itself, such a situation is appalling in its consequences. For it means that we are drawing on the fundamental assets of the race and upon our reserve for the future.

I have mentioned the relation between low wages and vice. I think it exists. But I think that it is very easy to exaggerate. I live in a community where most of our girls are working girls. Many of them go from homes of poverty to toil long hours for low wages. Life for them has but little joy. It offers little opportunity for being a woman instead of a mere machine or adjunct to a machine. They are compelled daily and hourly to face temptation the more seductive in the contrast it offers to a starved and pleasureless existence. They meet it as a matter of course and without credit, bravely and honorably and it is an inspiring and ennobling thing that so very few give up what must to so many seem an unequal fight. It is not in prostitution that chiefly we pay the physical cost of insufficient wages. It is with the bodies of good girls, straight, honest and sweet that we pay.

#### *The Justification of Legislative Interference*

It requires no legislative enactment to persuade a man to give his horses enough to maintain them in such condition of health as to make it possible for them to do effective work. The reason is perfectly obvious. If one does not feed a horse sufficient to keep him alive, he will die. If he dies, one must lay out good money to get a new horse. Therefore, it is obvious that it pays to keep one's horse alive. But if a girl dies or drops from the ranks broken down, it costs nothing to replace her beyond an inexpensive advertisement for help.



The result is twofold. In the first place the situation is not brought forcibly to the attention of the kind of employer who would not permit it to go on if he realized what it was and what it meant. In the second place it encourages the "scab" employer, who cares for nothing except profits, to continue to run his business on the system by which he does not treat his girls as well as his horses. By no means other than investigation backed and supervised by the authority of the state, can the facts be brought out in such a manner that their existence and importance can not be overlooked, and by no way other than by giving these facts the widest publicity and subjecting the conditions to supervision and perhaps even to the coercive control of the State, can this scab employer be compelled to deal fairly by society upon which he depends for existence; or can the fair employer be properly protected from the unfair competition of the unscrupulous.

We believe that nine business men out of ten would gladly do what is right realizing that their's is a wider responsibility than merely carrying on "their own business." We believe that they will do what is right when they are shown, after investigation in which they have a chance to present the thing as it looks from the angle from which they are necessarily best able to view it, what the right appears to be. We believe that no business worth keeping can exist for whose products the public is not willing to pay a price sufficient to permit payment by those engaged in it of wages sufficient to keep the workers who devote themselves to it at a fair state of health and efficiency. We believe that this measure, while not a complete remedy for all the evils with which it deals, is a sane attempt to do something in an intelligent, businesslike manner to relieve a most serious situation. It seeks first to diagnose the difficulty and then go about curing it in the light of trustworthy information as to the problem and it is essentially conservative.

Conservatism does not consist of trying to keep still. You can no more do that than can an oarsman in a flowing river remain opposite a certain mark on the bank if he sits with folded arms. We may do nothing but events march. This minimum wage movement is a part of the great scheme of social advance which having regard to the practical necessities of our situation is moving on to the end that this shall be a good world not only for some of us but for all of us to live in. It is as true today as when St. Augustine said it, "You give your bread to feed the hungry. But it were better that none hungered and you had none to give."

# THE MINIMUM WAGE IN GREAT BRITAIN AND AUSTRALIA

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The legal minimum wage which is beginning to cause so much discussion in the United States is today an accomplished fact in only three countries, Great Britain and two of her colonies, Australia and New Zealand. In matters of legislation and public policy we should expect the colonies to follow the guidance of the mother country. Generally this is the case. In this matter of minimum wage legislation, however, the usual precedents have been reversed and the mother country has been content to take a leaf from the note-book of experience assiduously compiled by her children.

In 1907 the Secretary of State for the Home Department in Great Britain sent Mr. Ernest Aves to Australia and New Zealand to investigate and report on labor conditions, particularly on the operation and results of the minimum wage laws in the colonies. Partly as a result of Mr. Aves' report, Mr. Winston Churchill, president of the Board of Trade, introduced into the House of Commons on March 24, 1909, the trade boards act (9 Edw. 7, Ch. 22), which became law on October 20 of that year and came into operation on the first of January, 1910. This act was based on the wages boards' legislation of several of the Australian states, especially that of Victoria, although it contains many modifications of the Australian plan. Like the early Australian legislation on the subject this act is confessedly experimental and so far has been made applicable to only four trades in which it was known that much sweating existed, although it was provided that the act might be extended to other trades if it seemed wise to the Board of Trade that this should be done.

The four trades to which the British trade boards act applies are: (1) the ready-made and wholesale bespoke tailoring trade; (2) paper-box making; (3) machine-made lace and net finishing and repairing; (4) chain-making of the lighter sort. For each of these

occupations a trade board is provided which is to be composed of an equal number of employers and employees and a smaller number representing the public interests. In the case of those trades which are carried on in more than one locality, district committees are provided which are to report their recommendations to the central board which may approve or disapprove of them. The trade board has authority to fix a minimum rate of wages and to vary this to suit conditions in the different districts. When this minimum rate has been approved by the Board of Trade it becomes binding on all employers in that trade and any employer who pays a lower rate of pay than that authorized by the board is guilty of an offense and is punishable by fine in the same way as if he had violated the provisions of the factories' act.

The chain-making board and the lace board had to deal only with localized industries. They were therefore the first to be organized and the first to reach a determination under the act. The chain-making trade is largely concentrated at Cradley Heath in the county of Worcester. The wages of the workers—mostly women—who carry on the task of making chains by hand in small workshops have always been notoriously low. The increase in the average rate of pay made by the trade board in this occupation is said to amount to about 60 per cent. In the case of the women workers the increase is even greater; Miss Constance Smith says it varies from 80 to 150 per cent.<sup>1</sup>

The lace board which had to deal with conditions in the Nottingham lace industry could not make such an advance in the rates as was made for the chain-makers, partly because of international competition and partly because of peculiarities in the trade organization. Nevertheless the increases here were considerable and were based on what the best employers in the trade had tried in vain to have adopted by voluntary agreement.

In the other two trades, paper-box making and tailoring, the determinations of the boards have only recently become compulsory. There was a considerable increase in the minimum wages of box workers allowed by the trade board, but in the tailoring trade the workers were much disappointed at the rates fixed by the board. With respect to neither of these trades is it possible to say as yet what will be the

<sup>1</sup> Constance Smith, *The Working of the Trade Boards Act in Great Britain*. Report of the Bureau of the International Association for Labour Legislation, Zurich, 1912, Appendix, p. 3.

net effect to the workers of the minimum rates fixed by the boards or how effectively the law will be enforced.

In addition to the trade boards provided for by Parliament in 1909, mention should be made of the fact that during the spring of 1912, owing to a prolonged dispute and serious strike in the coal mining industry of the United Kingdom over the question as to whether or not a minimum rate of pay should be provided for all workers in the coal mines, Parliament made a legislative declaration in favor of a minimum wage for all workers underground and provided for a system of joint boards in each of the twenty-two coal mining districts of the country to establish minimum wage scales. These boards were to be composed of an equal number of employers and employees, with an impartial chairman. Owing to the long continuance of collective bargaining in this industry, the machinery for fixing the wage scales was already in existence and was put in motion without delay. The boards met in each district and most of the awards were made during May and June. In spite of some dissatisfaction on the part of the workers, the mines are being operated on the basis of the rates fixed by the boards.

I have dealt briefly with the English legislation before taking up the Australian because Americans are more likely to be interested in the English experiments. We have borrowed so frequently and freely from England in the way of labor legislation, and her industrial conditions seem to us to be so much like our own that we cannot but be influenced by her example. On the other hand, Australia is so far away and most Americans know so little concerning social and industrial conditions there that they are inclined to attach little importance to social experiments in that part of the globe.

In this matter of minimum wage legislation, however, we must give far more attention to the Australian experiments, particularly the Victorian, than we do to those of England, if we are to have safe guidance and are to profit at all by the results of experience. For English experience with the minimum wage is too brief to be as yet of much importance. The difficulties which must inevitably arise during the years of initial legislation and administration of so complicated a matter as wage regulation, England is now grappling with, and the outcome can not yet be forecast with certainty. In a measure this is true of most of the Australian states. It seems safe to predict that a minimum wage upheld by law has become a permanent part of

legislation in both Australia and New Zealand, but it would hardly be safe to make predictions as to the machinery by which it is ultimately to be secured.

There are, it may be said at once, two methods by which the minimum wage has been established throughout Australasia. In New Zealand, in New South Wales, in West Australia, and in the commonwealth of Australia, so far as concerns "disputes extending beyond the limits of any one state," minimum wages are fixed by the arbitration courts. This is purely incidental to their main task of settling industrial disputes. But although the chief purpose which the framers of the acts which provided for compulsory arbitration had in mind was the prevention of strikes and lock-outs, the chief significance which compulsory arbitration today has in Australasia is that it is a powerful weapon by the use of which the state asserts its right to interfere in the making and enforcing of the labor contract. For whatever one's conclusions may be as to the success or failure of compulsory arbitration in Australasia, no unbiased investigator can well doubt Mr. J. S. MacGregor's contention<sup>2</sup> that compulsory arbitration must be judged not by its success in preventing disputes but by its success in regulating trade and industry and as a natural consequence of this regulation we have the fixing of the minimum wage as perhaps the most important task of the courts.

Since compulsory arbitration in private industries could hardly be introduced into the United States at present without amending our federal and state constitutions and since the suggestion that we use it is today hardly more than an academic proposition, we shall not attempt here to describe the ways in which it has been used in New Zealand and Australia to secure the minimum wage but shall turn at once to the simpler method of the wages boards which are to be found today in Victoria, South Australia, Queensland and Tasmania. In New South Wales, too, such boards have existed since 1908 in connection with or supplementary to the court of arbitration.

It is doubtful whether any state, except Victoria, has had a sufficiently long experience with the wages boards' system of fixing minimum wages to warrant any final conclusion as to the effects of this system on wages and industrial development. In Victoria, however, the amendments to the factories act which provided for wages

<sup>2</sup> J. S. MacGregor, *Industrial Arbitration in New Zealand*. Dunedin, 1902.

boards were passed in July, 1896, and the first boards completed their determination early in 1897, so that we have had sixteen years of experience of this method of fixing wages. It must also be remembered that we have had minimum wages established by means of compulsory arbitration in New Zealand since 1896<sup>3</sup> and in New South Wales and Western Australia since 1902.<sup>3</sup> It would seem therefore that sufficient time had elapsed to allow us to judge the success of wage legislation in these colonies.

In Victoria, as indeed in all the other states in which the wage board system, as contrasted to compulsory arbitration, was adopted, the motive leading to this legislation was the desire to put an end to sweating. By "sweating," I mean, of course, what has come by common consent to be the ordinarily accepted definition of that term, viz., "the payment by an employer to his work people of a wage which is insufficient to purchase for them the necessaries of life."<sup>4</sup> Associated with these low wages we usually find long hours and unsanitary work places. In every country in which sweating has been found to exist, some of the worst cases have been among the home workers, especially those who undertake to finish at their homes garments put out by large wholesale houses. To a large extent the low wages paid for this work have been due to the fact that competition takes place between those who depend upon this work for a living and those who use it only to supplement incomes received from other sources. Sweating is not, however, confined to home-work nor to those working in any one occupation. Each country and each community is likely to have a class of occupations suited to its own environment in which sweating exists. In the United States the girls working in our retail stores are known to be "sweated," and probably, when everything is taken into consideration, no class of workers in America is worse sweated than the great mass of unskilled laborers who work in our steel plants. In England we have seen that it was the chain-makers, the workers on lace and the paper-box makers in addition to the garment workers who seemed to be in the worst condition.

Now in Victoria in the last two decades of the nineteenth century, sweating was found to be especially prevalent in the manufacture of

<sup>3</sup> These are the dates when the acts became effective.

<sup>4</sup> Lord Hamilton in debate on the trade boards bill. *British Parliamentary Debates*, Lords, Fifth Series, vol. II, col. 974.

bread, boots and shoes, clothing and furniture. Practically the same situation was revealed in Adelaide when in the later nineties the factory inspectors were by their investigations and reports preparing the people of South Australia for the introduction of the wage-board system.

Public opinion in Melbourne hostile to sweating began to be aroused about 1882 by reports as to the conditions of the home workers published in *The Age*, then as now perhaps the most influential paper in Australia. A royal commission was appointed in 1884 to investigate conditions and as a result of its findings, some improvements were made in the factories and shops act in 1885 which, however, did not go to the root of the difficulty. A renewal of the agitation against sweating began about 1890. Reports by the factory inspectors and by a special parliamentary committee showed the extent of the evil and led to the organization of the Anti-Sweating League, an aggressive organization composed of some of the best men in Melbourne which helped to crystallize public sentiment against low wages and which henceforth became the center of the agitation for the abolition of sweating. This organization still exists for the purpose of watching the administration of the laws and in order to urge an extension of the wages boards' system into new fields whenever there appears to be a need for it. I have talked with the leaders in this movement and they have told me how much they were inclined, at first, to think that the factory inspectors and the newspapers had exaggerated the evils of the situation in which home-workers were placed, and when they had become convinced as a result of their own investigations that the evils did exist how reluctant the leaders of the government were to credit their reports. Seeing, however, was believing in this case, and the members of the Anti-Sweating League soon convinced the government leaders that a situation existed which demanded a legislative remedy.

To find a remedy, however, was no easy task. England was naturally turned to for a solution but the able studies which had been made in London and elsewhere into the conditions of the workers in the sweated trades had done little more than to show the causes of sweating, and no practicable remedy had been brought forth. The nearest approach to a remedy was the suggestion that home-workers be required to take out a license to carry on manufacturing in their homes in order that in this way the homes of the workers might be

inspected as to their sanitary conditions. This plan was urged in Victoria by the Chief Factory Inspector and the Anti-Sweating League but it met with bitter opposition on the part of those members of Parliament who were strongly tinged with individualism and who placed great stress on "the sanctity of the home."

In the end Victoria had to devise her own remedy and to work out her own salvation. The author of the wages boards' plan was Mr. (now Sir) Alexander Peacock, a young man then serving his first term as a member of the cabinet, and under whose jurisdiction as chief secretary of the colony was the office of the chief inspector of factories and workshops. Sir Alexander has told me that he and the chief factory inspector, Mr. Harrison Ord, had many conferences on the subject of anti-sweating legislation but neither of them was able to find a remedy until he happened to recall the method by which a disagreement which had arisen between master and men over a proposed reduction in wages in a gold mine near Ballarat had been overcome. The differences had been threshed out at a very informal conference of the employer and his men at which conference Mr. Peacock had served as secretary. The way in which a settlement of the difficulties was reached had made a lasting impression upon Mr. Peacock and he now proposed to adopt a similar plan for fixing wages in the sweated trades. Just what was his plan it may be well to let him describe, for he has left a brief statement of it in a manuscript copy on file in the chief factory inspector's office at Melbourne which I was permitted to copy. He says:

In 1895, when I was Chief Secretary, I visited the homes of the Out-workers engaged in the manufacture of clothing. I found that these people were working excessive hours at grossly sweated rates of pay, in poor and cheerless homes, and generally under wretched conditions. It was felt that some drastic remedy of this state of things was necessary. With some misgivings, the Government of the day, of which Sir George Turner was the Head, decided on my recommendation to attempt to deal with this evil by means of what are now known as Special Boards. The idea was to bring together an equal number of employers and employees, not exceeding ten on each Board; to provide these ten representatives with a Chairman, and to give the Boards so constituted, power to fix the rates to be paid, whether wages or piece-work as the Board thought fit, for any work done in connection with the trades subject to such Special Boards' jurisdiction.

These proposals were received with violent hostility in one quarter, viz., by those who resisted what is known as any interference with the liberty of the subject, and also by those who made a fetich of the law of supply and demand.



Even those whom the proposals were intended to benefit—while glad to receive any measure of protection—had grave doubts about the issue, as it was alleged, first that all work would be driven out of the country, secondly, that only the best workers would be employed, and thirdly that it would be impossible to enforce such provisions at all.

It is now somewhat amusing, although it was serious enough for the Government of the day, to read the debates on the Factories and Shops Act, 1896. However the Government managed to carry the bill, and the Wage board system was inaugurated.

There were only six boards created during the five years following the enactment of the wages boards' provisions: these being in the furniture, bread, clothing, boot, shirt and women's underclothing trades. These are all trades in which much sweating was said to exist, and at the time the act was passed it was intended only to apply to the sweated industries.

In view of the fact that in this country the agitation for the minimum wage has special reference to the needs of women workers, it is worth while to note that Mr. Peacock's plan was to fix minimum wages only for women and young persons. When the act was passing through Parliament, however, there were practically-minded men who saw that in the clothing trades, where piece work prevailed, it was impracticable to fix minimum wages for women without at the same time fixing them for men; and although the author of the bill entered a vigorous protest the principle of the minimum wage was applied also to men's work.

In spite of many obstacles encountered by the boards in reaching determinations, and in spite of administrative difficulties which arose in connection with the enforcement of the act, especially among the Chinese in the furniture trade where employees successfully connived with their employers to evade the law, the results of the establishment of a legal minimum wage in the several trades were unquestionably good. There was a considerable increase in the wages paid in each of the six industries. Probably in many factories the act brought no increased pay to the workers but the employers who paid poor wages were forced up to the level maintained by their more enterprising competitors.

In 1900 the government brought in a bill to provide for the extension of the wage board system to other trades. This brought a storm of protest from the Victorian Chamber of Manufactures and this protest was immediately re-echoed in the legislative council, the

conservative branch of Parliament. It was urged, and with good reason, that the government's proposal meant the extension of the wage board system to trades in which there was no evidence whatever of sweating. The government, however, was able to show that it had received applications in various trades from employers, oftentimes those employing many men, asking for the appointment of special boards in the trades to which they belonged. It was also admitted in the debates that sweating had disappeared in the trades in which the wages boards were established. Parliament therefore decided to permit of the extension of the system.

Since that time the wage board system has been extended year by year by resolution of Parliament until considerably more than one hundred trades now have their wages regulated in this way. At least 125,000 workers employed in these trades have their wages and hours of work more or less affected by wage board determinations. To an American, a German or an Englishman, this number will appear small, but it must be remembered that Victoria has less than one and a half million inhabitants; that its industries are primarily pastoral and agricultural, and in these occupations no boards have been established. Furthermore, the railways are owned and operated by the state and the workers on these roads as well as other public employees are not affected by these determinations.

It is obviously impossible in a brief paper such as this to consider the effects of the wage board determinations in the various trades. I do not desire to leave the impression that there are not many difficulties in reaching determinations and in having them enforced. The boards usually meet about once a week while they are effecting an agreement, and in some cases many weeks will pass before a determination is agreed to. The meetings are often stormy ones and a good deal of ill-feeling is displayed. The chairmen must exercise much tact and patience. Oftentimes they are obliged to cast the deciding vote and it is of course usually the case that the chairman seeks a compromise, but if he is intelligent his compromise vote more adequately meets the economics of the situation than do the claims of either party. Employers and employees through their respective organizations usually nominate their own board members and the government appoints these nominees, unless at least one-fifth of the employers or employees in the trade protest against those nominated to represent them, in which case an election is held. The members

of the board elect their own chairman. If they can not agree the government appoints the chairman. Whether the chairman is elected or appointed, there is a tendency to select the same men over and over as chairmen of boards, unless there is a feeling that a man has shown bias in his decisions. In Victoria and South Australia there is a strong tendency to appoint police magistrates as chairmen. In New South Wales, where the arbitration court appoints the chairmen, lawyers are usually selected.

The proceedings in a board meeting are usually very informal. A young man from the factory inspector's office usually acts as secretary and records all votes and resolutions. The chief factory inspector impresses upon him and the chairman the necessity of seeing that the various requirements of the law are lived up to and that a workable determination is reached.

The chief factory inspector's office has to see that the determinations are enforced and a large corps of inspectors is needed to investigate complaints of violations as well as to perform the duties usually assigned to factory inspectors. Complaints as to these violations usually come through the reports made by employees to the secretary of their trade union who in turn reports it to the chief factory inspector.

In conclusion I wish to sum up as briefly as possible the results which it seems to me have been attained in Victoria and, so far as their experience extends, in the other Australian states, under the wages boards' system. Perhaps I may be allowed to say that I have reached these conclusions after a thorough study of the reports and records of the departments concerned in the administration of the acts; after attendance on many board meetings; and after interviewing many people, government officials, chairmen of wages boards, employers, trade union officials, social reformers and politicians who have had much to do with wage board legislation and administration.

1. We may say without hesitation, I think, that sweating no longer exists, unless perhaps in isolated instances, in Melbourne or in other industrial centers of Victoria. This is the opinion expressed to me not only by the officials in the factory inspector's office including the women inspectors, but also by Mr. Samuel Mauger, the secretary of the Anti-Sweating League who is constantly on the alert to detect any evidence of sweating and to ask for the appointment of a board in any

trade in which it is thought to exist. In the board meetings the efforts of the labor representatives are nowadays seldom directed towards securing subsistence wages but they aim rather to secure a standard rate of pay based on the needs of the average worker, and as much above this as is possible.

2. Industries have not been paralyzed nor driven from the state as was freely predicted by extreme opponents of the wages boards' plan. There is one instance of a plant having left Victoria on this account. A brush manufacturer from England, who had recently come to Victoria to establish his business was so enraged at the idea that the wages he was to pay were to be regulated by law that he moved across Bass Strait to Tasmania. That is the only instance of the kind to be found in the records. On the other hand there has been a steady growth of manufactures. In 1896 when the factories act, containing the wages board provisions, was passed, there were in Victoria 3,370 factories; in 1910 there were 5,362. In 1896 the number of workers in factories was 40,814; in 1910 it was 83,053. This I think indicates as great a growth in manufacturing industry as most countries are able to show.

3. In spite of the fact that the law in Victoria does not forbid strikes, as is the case under compulsory arbitration, it would be hard to find a community in which strikes are so infrequent as they are in Victoria. There are, I think, not more than half-a-dozen cases in which a strike has occurred in a trade where the wages and hours were fixed by a wages board. The only serious strike of this sort was in a trade where the court of industrial appeals had lowered the wages fixed by the wages board after these wages had been paid for some weeks. I may add at this point the statement that there are very few cases of appeals from a wages board determination in Victoria, though there seem to be more in South Australia.

4. In spite of the fact that the meetings of the boards are at times the scenes of outbreaks of passion, and angry and insulting words pass back and forth across the table, there can be little doubt but that the representatives of both parties go away from these meetings with an understanding of the problems and difficulties which the other side has to meet, which is usually lacking in trades where collective bargaining is not resorted to. This was repeatedly brought to my attention both in and out of board meetings by men who had taken part in these discussions. It probably goes far towards explaining the infrequency of strikes and lock-outs.

5. That the minimum wage fixed by the board tends to become the maximum in that trade is often asserted but it would not be easy to prove. Employers have frequently said to me that they believed there was a tendency in that direction, but they have seldom been able to furnish evidence to that effect from their own establishments. At times I have found on inquiry that not a single man in their own plants was receiving the minimum wage. The employers' opinions seemed to be more the result of *a priori* reasoning than the results of actual experience. Nor, on reflection is it easy to see why the minimum should become the maximum. The determinations do not compel an employer to hire or to retain in employment any worker. He is free to dismiss any man whom he believes incapable of earning the minimum wage, or he can send the employee to the chief factory inspector for a permit to work at less than the minimum fixed by the board. There seems to be no reason why under this system there should not be the same competition among employers as under the old system to secure the most efficient and highly skilled workmen and there is no reason why such men should not get wages based on their superior efficiency. Victorian statistics on this point are lacking, but in New Zealand where minimum wages are fixed by the arbitration court, statistics as to wages, tabulated in 1909 by the Labour Department, showed that in the four leading industrial centers of the Dominion the percentage of workers in trades where a legal minimum wage was fixed who received more than the minimum varied from 51 per cent in Dunedin to 61 per cent in Auckland. There is no reason to think that a dissimilar situation would be revealed by a statistical investigation in Victoria.

6. Although the legal minimum wage does unquestionably force out of employment sooner than would otherwise be the case a certain number of old, infirm and naturally slow workers, it is easy to exaggerate the working of the minimum wage in this respect. The opinions of employers differ in regard to this point. Workers who feel that they can not earn the minimum wage may apply to the chief factory inspector for a permit to work at a less rate than the minimum and the officials who have charge of this matter feel pretty certain that in this way practically all cases really needing relief are cared for. The percentage of men with permits is, however, not high, and possibly there are some who are forced out of work who do not apply for a permit.

7. There is also much difference of opinion as to whether or not the increased wages have been to any considerable extent counter-balanced by an increase of prices due to the increased wages. The probability is that in some occupations higher wages have in this way been passed on to consumers, the laboring classes included. This would be especially true of industries purely local where there was little opportunity to use machinery.

In Melbourne, following close upon a wage board determination which raised the wages of waiters and cooks in hotels and restaurants, the cheap restaurants which had been furnishing meals at 6d (12 cents) by a concerted movement doubled their prices. While the increase of wages in this case was doubtless in part responsible for this increase of prices, in the main the wage increase was the occasion rather than the cause of the increase in prices, which was bound to come sooner or later because of the increase in cost of food supplies.

The New Zealand commission on the cost of living which has recently published its report, carefully considered this question as to the effect of labor legislation on the cost of living and concluded that in the case of staple products whose prices were fixed in the world's markets the local legislation could have had no effect on prices. In other trades, the increased labor costs had served to stimulate the introduction of machinery and labor saving devices; in still other trades it had apparently not increased efficiency and accordingly labor costs had increased. This seems to have been the case in coal mining. Generally speaking the evidence in most trades was not sufficiently definite to show whether or not there had been an increase or a decrease in efficiency due to labor legislation. This is about what we must conclude as a result of the conflicting testimony on this point in Australia as well as in New Zealand. I found that most employers with whom I talked were certain that laborers were less efficient than in former years. Generally they could not explain very satisfactorily how this was due to legislation, and their arguments usually reduced themselves to the assertion that the trade unions were preaching and their members were practicing the doctrine of "go easy" and were in this way restricting the output. Trade union officials, on the other hand, were just as emphatic in their declaration that such a matter had never even been discussed in their meetings. I do not believe that in this respect conditions in Australia differ from what they are in America and I find that the same assertions are made here

by employers as to the effect of trade unions and that these statements are as vigorously denied by the union officials. Only to the extent therefore that compulsory arbitration and wages boards tend to develop and strengthen unionism, which they undoubtedly do, can we find that the legal minimum wage exerts any appreciable effect on the decline of efficiency and the restriction of output. This must remain therefore a mooted point.

8. Finally, whatever may be the difference of opinion between employers and employees as to the effect of the legal minimum wage in Victoria in producing certain results and whatever criticisms they may make of the administration of the factories act, both sides are now practically unanimous in saying that they have no desire to return to the old system of unrestricted competition in the purchase of labor. I did not find an employer who expressed a desire to see the wages boards abolished. Generally speaking, employers are just now holding tightly to this plan, partly no doubt as a means of saving themselves from an extension of the operations of the commonwealth arbitration act. In the main, however, they have been convinced that the minimum wage has not been detrimental to their businesses, and that it has forced their rivals to adopt the same scale of wages as they are themselves obliged to pay. I have mentioned the fact that the Victorian Chamber of Manufactures led the attack on the wage board system when the government was providing for its extension in 1900. Last April (1912) the president and secretary of that organization, and the president and secretary of the Victorian Employers' Association told me that in spite of the defective administration of the wages boards' act, their members had no longer any desire to have the system abolished. The trade union secretaries also complain of the administration of the act; particularly that the chief factory inspector does not take a more drastic attitude in regard to the prosecution of the violators of the act whom they have reported. This fact that both sides complain of the administration of the act is a pretty fair indication that the administrative officials are doing their work in a conscientious manner without prejudice or favor. The trade unionists generally admit that labor has been greatly benefited by the wages boards' legislation and they do not desire a repeal of these laws, but many of them in Victoria are inclined to think that compulsory arbitration would give them even more. The wages boards deal only with wages, hours, payment for overtime and the number and proportion of appren-

tices. The arbitration courts, on the other hand, may and sometimes do give preference to unionists and are often called upon to decide many minor matters which can not be considered by wages boards. Furthermore, wages boards established by any one state are bound to consider interstate competition when they fix wages. The commonwealth arbitration court, on the other hand, can regulate wages throughout Australia in the industrial field within which it operates. Hostility to the minimum wage in Australia may therefore be said to have practically died out and the question most discussed today is whether this minimum wage shall be secured by means of wages boards or through the machinery of a federal arbitration court.



## THE PROPOSED PENNSYLVANIA MINIMUM WAGE ACT

BY WILLIAM DRAPER LEWIS,

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The Pennsylvania Republican state convention which met in Harrisburg last May was controlled by the Progressive forces. It pledged the party to the enactment of a fair act regulating the employment of women and children, and appointed a legislative and executive committee to draft the legislation.

When the committee met it at once determined to draft a bill regulating the hours of employment of children and the sanitary and other physical conditions of their employment; and another bill regulating the hours of employment of women and the sanitary conditions in manufacturing and other establishments. These bills have been drafted. They are the child labor bill, and the women's labor bill, now pending before the legislature. I believe that it can be said of each measure that it is a model act of its kind. Of necessity, however, these bills relate primarily to employment in establishments. It is not practicable to regulate the number of hours which a woman or child may labor on work taken home. The bills referred to, therefore, do not pretend to correct the evils of the so-called sweat-shop. Indeed, by the fact that they require manufacturers to improve the sanitary conditions of their mills and factories, and also prevent the exploitation of the woman and child worker by long hours of employment, to some extent they create conditions which give an advantage to the employer who puts out his work to be done at the homes of his employees.

Under-payment is the main source of all the evils of the sweat-shop system. Sweat-shop labor is always paid for by the piece. Under-payment makes necessary long hours of labor. Under-payment also makes it impossible for the laborer to procure a sanitary place in which to work. Thus it is that the more enlightened the legislation dealing with the hours of labor and the sanitary conditions of employment in manufacturing and other establishments, the more

necessary it is to prevent under-payment whether the employee works in a mill or in her own home. The legislative and executive committee therefore, after having drafted a child labor bill and a bill regulating the hours of employment of women, came to the conclusion that a minimum wage act was not only advisable in itself, but was an essential part of any program of legislation designed to carry out a platform which had specifically pledged the enactment of "a fair law regulating the employment of women and children."

I shall refer briefly to the main features of the minimum wage bill prepared by the committee and now pending before the house of representatives. It has been favorably reported by the committee to which it was referred.<sup>1</sup>

The first section sets forth the principle on which the bill is founded. It recites "that it is the belief of the general assembly that the public health and welfare demand that every female over sixteen years of age employed by or permitted to work for any person within this commonwealth be compensated at such a rate as will enable her to support and maintain herself in health and reasonable comfort, and that every child under sixteen years of age employed by or permitted to work for any person within this commonwealth receive compensation at a rate at which it can earn an amount necessary to enable its parent or guardian to support and maintain it in health and reasonable comfort."

The three main factors affecting employment are the sanitary and other physical conditions under which the work is performed, the hours of labor, and the rate of wages. Under-payment is just as surely a cause of physical deterioration and disease as over-work or unsanitary conditions.

Our courts have determined that an act which regulates in a reasonable manner sanitary conditions, or an act which places a reasonable maximum on the hours of employment is constitutional, even though such acts do limit the theoretic freedom of contract between employer and employee. The constitutionality of a minimum wage act rests on exactly the same reason which today supports reasonable regulations of the hours of labor and the physical conditions under which the labor may be performed.

<sup>1</sup> It is now, May 3d, pending before the senate, having passed the house by a large majority.

In order to prevent under-payment the act provides for a commission of three persons to be known as the Wage Commission of the Commonwealth of Pennsylvania. The commission has power to investigate what should be the lowest wage rate in any industry. The problem here is similar to the problem confronting the draftsmen of an act to regulate public service corporations. The obligation of a public service corporation is to give the public efficient service at reasonable rates. In the same way the minimum wage act imposes on an employer of women and children the obligation to pay the former a rate of wages on which they can maintain themselves in health and reasonable comfort, and the latter a rate which will equal the cost of their maintenance by parent or guardian. It has been determined, however, that it is necessary for the legislature in creating a public service commission to give to the commission a standard by which the commission can fix the reasonable rate. This is necessary to overcome the constitutional objection that the commission in fixing the rate exercises a legislative rather than an administrative function. In our constitutional system there can be no delegation by the legislature of legislative functions. So in the minimum wage bill it is necessary to give the commission a rule by which they may determine a reasonable minimum rate. This is done in the 13th section of the proposed bill which provides that, "The commission shall have power upon investigation to determine the lowest rate in any industry or branch thereof, commuted either by time or piece or in any other manner, at which a female over sixteen years of age of average ability and skill can earn, in a number of hours a female over sixteen years of age may lawfully work in any establishment in any one week, compensation sufficient to support and maintain herself in health and reasonable comfort for seven days." Under the women's hours of work bill, prepared by the same committee, a woman may lawfully work as much as fifty hours in any one week or nine hours in any one day.

Section 15 provides that after having determined a rate of compensation the commission shall issue an order prohibiting the payment to such females at less than the prescribed rate. Similar provision is made for ascertaining the rate at which children under sixteen years should be paid and for issuing an order requiring the payment of the rate fixed by the commission.

Special provision is made in the bill for females who are physically defective. Where a time rate only has been fixed for an industry the commission may issue a special license authorizing such defective female to be paid at a rate fixed by the commission which rate may be lower than the lawful rate for other females. The commission may also include in any order fixing a rate of compensation for any industry, appropriate provisions exempting apprentices from the operation of the order, and regulating the payment of such apprentices. In order to prevent the exception in relation to apprentices being used as a means to evade the act, the commission is given power to limit the number of persons who may be paid as apprentices under the general order of the commission, and also to fix the maximum period of time during which a worker in any industry may receive compensation as an apprentice.

The procedure before the commission and the method of enforcing the orders of the commission have been modeled on the provisions of the best public service commission acts in the country. Thus, whenever the commission is of the opinion that its orders are being violated it may institute in the court of common pleas of the proper county proceedings to obtain an injunction to restrain such violation. The attorney-general is directed on the request of the commission to institute such proceedings.

## WAGES IN THE UNITED STATES

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Several recent inquiries conducted by private agencies and by public authorities into the cost of a "decent" or "fair" living have reached very similar conclusions.

Accepting for the purpose of discussion a unit family of five members (a man, wife and three children under fourteen) and a normal standard as one providing 22 cents per adult man per day for food; three rooms for the family of five; \$105 per year for the family clothing and laundry; and an amount for food and light, car-fare, health, recreation and sundries equal to one-fifth of the total expenditures, Dr. R. C. Chapin concludes his New York study with the statement that, "An income under \$800 is not enough to permit the maintenance of a normal standard. . . . On the other hand an income of \$900 or over probably permits the maintenance of a normal standard, at least so far as the physical man is concerned. . . . Whether an income between \$800 and \$900 can be made to suffice is a question to which our data do not warrant a dogmatic answer."<sup>1</sup>

Data from other cities are very inadequate, but such facts as are available indicate that it costs as much to live in Pittsburgh as it does in New York; that in Baltimore the minimum is \$750, and that in Philadelphia, Boston and Buffalo it is somewhere between \$750 and \$900.

A recent federal study, published in 1911, relating to small towns, comes to the conclusion that in Fall River, "The total cost of the fair standard for the English, Irish and Canadian French family is \$731.99, and for the Portuguese, Polish or Italian family it is \$690.95."<sup>2</sup>

<sup>1</sup> R. C. Chapin, *The Standard of Living of Workingmen's Families in New York City*. New York: Charities Publication Committee, 1909, pp. 245-46

<sup>2</sup> Report on Conditions of Women and Child Wage-Earners in the United States, Vol. 16, Family Budgets. Washington: Government Printing Office, 1911.

In small Georgia and South Carolina mill towns, "The father must earn \$600.75 in order to support himself" according to a standard which "will enable him to furnish them good nourishing food and sufficient plain clothing. He can send his children to school. Unless a prolonged or serious illness befall the family, he can pay for medical attention. If a death should occur, insurance will meet the expense. He can provide some simple recreation for his family, the cost not to be over \$15.60 for the year. If this cotton-mill father is given employment 300 days out of the year, he must earn \$2 per day to maintain this standard. As the children grow older and the family increases in size, the cost of living will naturally increase. The father must either earn more himself or be assisted by his young children."<sup>3</sup>

It is, therefore, fair to conclude that from \$600 to \$900 per year—\$2 to \$3 per working day—is the minimum amount necessary to enable a man, wife and three children to maintain a normal standard of living in the industrial sections in the eastern part of the United States.

Statements of the cost of a decent standard of living are manifestly unsatisfactory unless they can be contrasted with some analysis of the incomes which American families receive. Aside from a few scattering inquiries, no attempt has been made to determine the size of family income, but several studies have been made which show pretty conclusively, that the great bulk of family income is derived from the earnings of the father alone. For example, among the New York families which Chapin considered to be living on a fair standard, the earnings of the father furnished 85 per cent of the income. The remaining 15 per cent was made up from the earnings of other members of the family, the receipts from boarders and lodgers, and miscellaneous sources of family income.<sup>4</sup> The conclusion from these, and other available facts, seems to be that a young family—consisting of a man, wife and three children under fourteen—is largely dependent on the earnings of the father.

What does the father earn? Passing, without further emphasis the oft-repeated statement that the statistics of average wages are meaningless there remains a limited body of data giving the classified wages of adult males, from which certain wage conclusions may be made. Twice during the past ten years, these facts have been sum-

<sup>3</sup> *Ibid.*, pp. 152-53.

<sup>4</sup> R. C. Chapin, *The Standard of Living of Workingmen's Families in New York City*, p. 63.

marized at the end of rather elaborate studies. The latest of these studies dealing with the period about 1904, contains the following paragraph at the end of a brilliant discussion of the "Distribution of Wages."<sup>5</sup>

In view of this consideration, and of the general harmony of the statistics presented in this chapter, it is reasonable to believe that in 1904, something over 60 per cent of the males at least sixteen years of age, employed in manufacturing, mining, trade, transportation, and a few other occupations associated with industrial life, were earning less than \$626 per annum, about 30 per cent were receiving \$626 but under \$1,044, and perhaps 10 per cent enjoyed labor incomes of at least \$1,000. If to these the agriculturists are added, 65 per cent fall in the low-earnings group, 27 in the medium, and 8 in the high. Suppose all the men engaged in gainful occupations in 1904, but unaccounted for in this estimate, to have been paid \$12 per week or more. This is manifestly impossible, yet, even upon such an assumption, fully one-half of the adult males engaged in remunerative labor were rewarded that year with less than \$626.

These figures made no allowance at all for unemployment. The weekly wage is simply multiplied by 52 to derive the annual earnings. In the second study to which reference has been made, a reduction of 20 per cent is made for unemployment when the annual earnings are computed. After a careful analysis of the available data this study concludes.<sup>6</sup>

With one exception (Bell Telephone Company) these statistics are remarkably uniform. About one-half of the adult males included receive less than \$12 per week (\$600 per year); while less than one-tenth receive wages of more than \$1,000 per year. The Bell Telephone Company, a relatively high-class industry, employing almost no unskilled help, reports 20 per cent of its employees as receiving more than \$1,000. With this one exception all of the reports are on practical agreement. Did these statistics emanate from one source, or were they based on one investigation, or derived through one statistical method, they might possibly be open to question but coming as they do from six separate authorities, from states as far separated as Massachusetts and Wisconsin, from the Interstate Commerce Commission, and from the inspection by the Department of Commerce and Labor of the pay-rolls of the telephone and Bethlehem companies, their agreement permits of but one conclusion,—that these seven reports give an accurate measure of the wages of adult males in the industries of the United States.

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<sup>5</sup> F. H. Streightoff, *The Distribution of Incomes in the United States*. New York: Longmans, Green and Company, 1912, p. 139.

<sup>6</sup> Scott Nearing, *Wages in the United States*. New York: Macmillan Company, 1912, pp. 209-14.

Here, then, in brief, is an answer to that vital question—"What are wages?" For the available sources of statistics, and by inference for neighboring localities, the annual earnings, unemployment of 20 per cent deducted, of adult males employed east of the Rockies and north of the Mason and Dixon Line, are distributed over the wage scale thus:

Annual Earnings	Adult Males
Under \$325 .....	1-10
Under 500.....	1- 2
Under 600.....	3- 4
Under 800.....	9-10

Since the publication of these studies, the conclusions of which are remarkably uniform, the federal government has published a most elaborate investigation into the wages of the workers in the iron and steel industry of the United States.<sup>7</sup> Among 172, 706 employees,

16.29 per cent received less than 14 cents per hour  
 65.96 per cent received less than 18 cents per hour  
 92.30 per cent received less than 25 cents per hour

Bearing in mind the fact that the equivalent in weekly wage for,

14 cents per hour, approximately \$10 per week  
 18 cents per hour, approximately 15 per week  
 25 cents per hour, approximately 20 per week

the reader will observe that the wages in the steel industry conform almost exactly to the conclusions reached in the two wage studies noted above.

That the conclusions presented in these studies are close to the real facts can no longer be seriously questioned. That the wages which they reveal fail in a large proportion of the cases to meet the demand of decent family standards seems equally incontrovertible.

<sup>7</sup> Chas. P. Neill, *Summary of Wages and Hours*. Senate Doc., 301, 62 Cong., 2 sess., 1912, p. 19.



# THE MINIMUM WAGE AS A LEGISLATIVE PROPOSAL IN THE UNITED STATES

BY SAMUEL McCUNE LINDSAY, PH.D., LL.D.,

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The economists have at least made out a presumptive case for the desirability of a minimum standard below which wages should not be allowed to fall in the low-paid industries. The suggestion is not that wages should be fixed by law or that the principle of competition in the fixing of wages should be entirely abandoned. It is rather that further limits should be placed on competition with respect to the labor contract beyond those that now obtain in the laws of most states concerning the hours of labor, the age limits at which children may work in various occupations, etc. The proposal is also further limited by most of its advocates to women and minors, partly of course for obvious constitutional reasons in this country, and partly because the low-wage industries are where we find women and minors in the great majority and also because it is in these industries for many reasons that women and minors are peculiarly weak in bargaining power and likely to bid against each other in a life and death struggle which will carry wages far below a living income for the worker and enable the industry to exist only as a social parasite.

The attempt to fix a maximum limit to agricultural wages for male workers was tried in England at several periods without great success, but those experiments in legislation were so different in their essential principles and the circumstances under which they were tried that they throw no light on the present minimum wage proposal. The attempts to standardize some of the items of the labor contract and to set certain definite conditions upon which the community will welcome or tolerate the existence of industries within its borders, otherwise free to make their own terms as between buyers and sellers of the commodities they use or produce and the labor they employ, began a little over a century ago in England when the first factory

act (the health and morals of apprentices act, 1802) was put on the statute book. Since that time a vast network of factory legislation has been evolved. Its success in the establishment of standards is not questioned, though great difficulties have been encountered in their administration and uniformly efficient enforcement. Yet no modern state would think of abandoning labor legislation. The minimum wage proposal must be regarded as a further attempt to enlarge the scope of labor legislation. It means simply the extension to the wage item of the labor contract of the common rules designed to protect a public interest as well as to maintain a fairer equality between the parties to the labor contract.

Minimum wage laws have been in force in Victoria since 1896 and in other provinces of Australia and New Zealand since then and in England since 1909. These statutes, however, are constructed on a theory of a wage board quite similar to an arbitration board under an executive initiative and control which would have little analogy or hope of successful achievement under our system of law. Massachusetts (1912) and Oregon (1913) have already begun an experiment in American legislation to give legislative expression to the principles of the minimum wage. Both establish a state commission of three persons appointed by the governor for a term of three years, the first commissioners to have their terms of office adjusted so that one vacancy will exist each year. Massachusetts provides for a per diem compensation in addition to travel expenses for the commissioners and Oregon only for expenses, while both provide their commissioners with a paid secretary, and for the payment of witnesses subpoenaed in investigations or hearings. The Massachusetts commission is a minimum wage commission charged with the duty of inquiring into the wages paid to the female employes in any occupation in the commonwealth wherein it has reason to believe that a substantial part of the employes are paid wages inadequate to supply the necessary cost of living and to maintain the worker in health.

The Oregon commission is an industrial welfare commission authorized and empowered to ascertain and declare the standards of hours of employment for women or for minors and what are unreasonably long hours for women or for minors in any occupation in the State of Oregon; secondly, standards of conditions of labor for women or for minors and what surroundings or conditions, sanitary or otherwise, are detrimental to the health or morals of women or

minors; thirdly, standards of minimum wages for women and what wages are inadequate to supply the necessary cost of living of any such women workers and to maintain them in good health; and fourthly, standards of minimum wages for minors and what wages are unreasonably low for any such minor workers. The Oregon law is entitled "an act to protect the lives and health and morals of women and minor workers, and to establish an industrial welfare commission and prescribe its powers and duties, and to define its powers and duties, and to provide the fixing of minimum wages and maximum hours and standard conditions of labor for such workers, and to provide penalties for violations of this act." It begins with a declaration that it shall be unlawful to employ women or minors in any occupation within the State of Oregon for unreasonably long hours or under such surroundings or conditions, sanitary or otherwise, as may be detrimental to their health or morals, or to employ them for wages, which in the case of women workers are inadequate to supply the necessary cost of living and to maintain them in health, and in the case of minor workers, for unreasonably low wages. The commission is therefore, in theory, an administrative body, designed to secure the necessary information to apply the standards determined by the rule laid down by the legislature for the protection of the health, morals and reasonable living conditions of women workers and minors.

The Massachusetts statute is entitled "an act to establish a minimum wage commission to provide for the determination of minimum wages for women and minors." It is therefore much narrower in its scope than the Oregon commission. The machinery contemplated, however, has much in common. Both commissions will organize subsidiary boards; in Massachusetts to be known as wage boards and in Oregon as conferences; in both cases composed of representatives of the employers and of the employes and disinterested persons representing the public in any occupation in which the commission finds conditions demanding and justifying its intervention. These subsidiary boards, somewhat analogous to the wage boards in the English and Australian legislation, report their findings and recommendations to the commission, which then issue orders or decrees. The orders and decrees of the commission do not take full force until after an opportunity is given for a hearing and due notice is served upon the parties affected; then, if they are adopted by the commission they have the full force of law.

In the Massachusetts statute the only penalty provided is the publication in four newspapers in each county in the commonwealth of the names of all employers who fail or refuse to accept the minimum wage declared and agree to abide by it, together with the material part of the findings of the commission and a statement of the minimum wage paid by all such employers. The Oregon statute provides that anyone who violates any provision of the act and therefore employs women or minors contrary to the standards enacted in the statute and concretely determined by the commission is guilty of a misdemeanor, and upon conviction, is punishable by fine of not less than \$25 or more than \$100, or by imprisonment in the county jail for not less than ten days or more than three months, or by both such fine and imprisonment in the discretion of the court. Furthermore any woman worker paid less than the minimum wage to which she is entitled under the order of the commission, may recover in a civil action the difference, together with attorney's fees, and no agreement on her part to work for less, shall be a defense in any such action. Both acts contain other provisions for the protection of witnesses in the investigations conducted by the commissions or their subsidiary boards and for the compulsory acceptance by newspapers of the publication of the findings and the protection of newspapers in the publication of same and also for the licensing of a limited number of handicapped workers who may be allowed to work for less than the minimum wages.

The Oregon statute seems to be based squarely on the police power for the regulation of public health, and the procedure worked out on lines analogous to well approved principles developed in the law of public service commissions.

The Massachusetts statute does not provide for the compulsory taking of property and may therefore not encounter serious constitutional difficulties.

The constitutionality of any such legislation in American states may well be questioned and experimental statutes will have to be framed with great care in order to run any chance of being upheld by the courts. Only one state has thus far made provision directly by constitutional amendment for minimum wage legislation. Ohio, in its recent constitutional convention proposed a section relating definitely to this subject which was subsequently adopted as part of the constitution of Ohio, which now says "laws may be passed fixing and regulating the hours of labor, establishing a minimum wage and pro-

viding for the comfort, health, safety and general welfare of all employes; and no other provision of the constitution shall impair or limit this power."

There is a bill now pending in the Ohio legislature to establish a minimum wage commission and to provide for the determination of minimum wages for women and men. The bill follows very much more closely than the bills in other states the lines of the Australian and English legislation and by reason of the constitutional provision it is possible to include men as well as women within its provisions and also to make the findings of the commission mandatory and violations subject to penalties of fine and imprisonment and also give the employee a right to recover in civil action. The bill provides for a court review on appeal to the supreme court only on questions of law and also gives the commission the right to report questions of law to the supreme court for its determination and to be represented in all proceedings in the supreme court by the attorney general of the state. Thus far the legislature has not taken definite action on this bill.

Other minimum wage bills now pending in state legislatures are those of Wisconsin, Minnesota, Illinois, Colorado, Indiana, Washington, New York and Pennsylvania. In New York the Factory Investigating Commission has been authorized to continue its work and to report particularly upon the subject of wages paid to women and minors. The bill continuing the New York commission, which has just passed the New York legislature, practically makes of this commission a minimum wage inquiry commission. The Pennsylvania and the Wisconsin bills have been drawn on carefully worked out plans to meet possible constitutional objections, and in theory both bills differ from the Massachusetts and the Oregon laws and from the foreign legislation on this subject. The Pennsylvania bill makes no provision for wage boards. It declares that the public health and welfare demand that every woman employed by, or permitted to work for, any person within the State shall be compensated at such a wage rate as will enable her to support and maintain herself in health and reasonable comfort; and that children who are allowed to work shall receive, if they work full time, compensation equal to the cost of their support. The bill is based on principles strictly analogous to those of a public service commission empowered to fix rates and determine the reasonableness of charges. The commission is established to determine the lowest rate of compensation at which women can sup-

port and maintain themselves in health and reasonable comfort; and the lowest rate at which children can earn their maintenance, and to prevent their payment at a lower rate. Two classes of rate determinations are to be established, one applicable to females over sixteen years of age, and the other to children of either sex under sixteen years of age; and the wage rate when determined applies directly to the relationship between employer and employee and is enforceable upon the employer for whom the work is performed, whether done in an establishment, at home, or at any other place. Handicapped persons may be licensed by the commission to accept work for lower than the standard rate, and the standard rate is based on the legal number of hours that women and children may work, respectively, per week, having respect to the amount a worker of average ability and skill can do; and in a similar way a piece rate may be established by the commission. The orders of the commission are enforced directly by the commission after due notice and publication and a provision for court review in similar manner as in the case of the public service law. The details of the legal procedure in investigations, issuance of orders of publication, furnishing of copies, also in proceedings before the commission, are worked out with great care. Likewise the provision for penalties for the lower rate of compensation than that fixed by the commission, for discriminating against witnesses, for the concealment of testimony, and for giving false or misleading testimony, for newspapers refusing to publish orders, for dealing with first and second offenses, and for the recovery of wages in civil suits, are carefully worked out. This bill, if enacted into law in Pennsylvania, will furnish a decidedly interesting experiment in a new field of labor legislation, that promises to be far more significant in its results than even the extensive regulation of public utilities begun some years ago, and the experience in dealing with which the Pennsylvania minimum wage bill proposes to utilize in the public interest in the regulation of the relations between employers and employees.

The Wisconsin bill has also been drawn upon a new theory of constitutional regulation of the labor contract with respect to wages, by setting up a definition of "employment property," which means physical property used for the production and sale for profit of products of labor hired for wages; and of "oppressive employment," which shall mean an occupation in which employees are unable to earn a living wage. The living wage is defined as compensation for labor performed under reasonable conditions and sufficient to enable em-

ployees to secure for themselves, and those who are or may be reasonably dependent upon them, the necessary comforts of life. All employment property is declared to be affected with a public interest to the extent that every employer shall pay to every employee in each oppressive employment at least a living wage. It is unlawful for any employer to employ labor in an oppressive employment without first obtaining a license from the Commissioner of Labor, who is given power to revoke the license if, upon investigation, the employer is paying less than the living wage stated in the license as a minimum wage to be paid in such employment. This is to be determined by the Commissioner of Labor, who is vested with power and jurisdiction to have supervision of employment property, necessary to enforce this law and all orders under it; to investigate, hold public hearings, ascertain and classify each oppressive employment, and fix for such employment the living wage which shall be the minimum wage to be paid by all employers to all employees in such employment. The proceedings for hearings, etc., are the same as provided in the railroad commission law, and persons guilty of violation of the act are punishable as for a misdemeanor. The employee receiving less wages than the minimum required by law is entitled to recover in civil action the full amount of his living wage, together with costs and exemplary damages, notwithstanding any agreement to work for a lesser amount.

The New York bill, introduced as the official proposal of the National Progressive Party in the state of New York, provides for a commission with wage boards along the general lines of the Massachusetts act, but makes violations of the act a misdemeanor and gives employees receiving less than the minimum wage a right to recovery in civil action, with costs. It applies to women over eighteen years and to all minors under eighteen years of age, and is entitled, "an act to create a minimum wage commission to protect minors under eighteen years and women from employment at wages insufficient to supply the necessary cost of living, and maintain the health, morals and efficiency of the workers, and defining the powers and duties of such commission."

The Illinois bill is entitled "an act to establish the Minimum Wage Commission and to provide for the creation of wage boards and for the determination of minimum wages for women and minors and apprentices and for the publication of the findings of said commission and of said wage boards." It is drawn on the lines of the Massachusetts law.

With the exception of the Ohio proposal, the two existing laws in Massachusetts and Oregon which take effect July 1, 1913, and June 1, 1913, respectively, and all of the legislative proposals for the minimum wage deal only with the wages of women and minors. In the constitution of the commissions and the wage boards they do not give democratic representation to the workers themselves who presumably know best their own problems, nor do they provide definitely in all cases for male as well as female representation of the women and minors whose wages are in question. In the opinion of a well-informed critic the larger experience and better fighting and bargaining powers of the men have been an essential element of success in the Victorian and English wage boards in securing better conditions for the weaker, youthful and discouraged women workers in the underpaid industries in which very young girls so largely preponderate.<sup>1</sup>

Many important questions of policy are still unsettled and the data for their determination evidently quite lacking. There is need for much public discussion before the present tentative proposals can be made to yield any uniform standards for even frankly avowed experimental state legislation without constitutional amendment such as has been adopted in Ohio. It seems to be generally agreed that a flat minimum rate, state wide in its scope and applicable to all industries is not desirable. The lawyers will probably more generally favor the Pennsylvania plan of a state commission acting directly through its own agents upon the problems presented by each industry in turn and with power to establish zones, perhaps industrial zones rather than geographical zones, so as to classify its orders and rulings to secure a certain uniformity in the application of the law and in order to follow closely the decisions and procedure already approved by the courts in the regulation of the service and charges of public utilities by public service commissions. Those who approach the problem from the labor side and are familiar with the efforts at public arbitration of industrial disputes will be inclined to insist upon a larger measure of independent action by wage-boards acting under a commission sitting as a court of review. In most jurisdictions however such procedure will run counter to constitutional limitations which the courts have construed to limit the public service commissions. It may not be impossible to reconcile these divergent views and to devise a form of commission with subsidiary wage boards in which the best

<sup>1</sup>Florence Kelley, "Minimum Wage Legislation," in *The Survey*, April 5, 1913.



possible and strongest representation of the actual workers can be had and at the same time not weaken the authority of the commission nor authorize it to delegate either legislative or judicial powers which would be unconstitutional. Discussion may well center for a time on this difficult problem which will also indicate the necessity for the friends of minimum wage legislation to work at the same time for constitutional amendments which will obviate this difficulty and without which probably no very substantial or far reaching minimum wage legislation, certainly not affecting both men and women, is possible.

Still greater difficulties may be encountered in determining standards of income in fixing the minimum wage, that is, whether the income of the individual worker, man, woman or child, is to be considered solely in its relation to its purchasing power of the necessities of health, comfort and efficiency, or whether relations of dependence and obligation with respect to group or family incomes are to be considered. The implications of minimum wage legislation in other fields of social legislation constitute a third and very interesting series of problems for public discussion. Undoubtedly the general acceptance of the principle of the minimum wage implies a further extension of governmental power in the direction of increasing the industrial efficiency of those who do not measure up to the minimum standards adopted. This will mean far more than the state care of a few more public charges who are hopelessly handicapped and cannot find any place in modern efficient industry. It may mean little less than a revolution in public educational policy, in provision for trade schools, vocational guidance and industrial education on a scale that will make what at first sight seems to be a further restriction upon industry in reality the greatest boon to industry through the preparation of its workers to meet the demands of an increasing efficiency.

At all events the legislative proposals for the minimum wage in the United States have already revealed a demand for a social legislative program of no mean proportions and they must be regarded, discussed, adopted or rejected as part of such a program which in the language of the English Parliamentary leader, Mr. Winston S. Churchill, "bears witness to the workings of a tireless social and humanitarian activity, which directed by knowledge and backed by power tends steadily to make our country a better place for the many without at the same time making it a bad place for the few."<sup>2</sup>

<sup>2</sup>Winston S. Churchill, *Liberalism and the Social Problem*. London, 1909.

## SOCIAL INVESTIGATION AND SOCIAL LEGISLATION

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In these days, when so many public idols are being hurled from their pedestals, and abuses, long undisturbed, are being torn up by the roots, the very word "investigation" has come to have almost a farcical significance. There is, however, a wide difference between haphazard prying into the affairs of others, which listens to hearsay evidence and too often results in the passage of hasty and ill-advised legislation, and authorized, scientific investigation which relies not on conjecture or hearsay but on "first-hand" testimony, and is guided by logic and experience and knowledge of actual conditions rather than mere good intentions.

The appalling disaster in the Triangle Building in the city of New York on March 25, 1911, aroused the state of New York to the necessity of investigating the conditions of labor in its factories. The time has passed when such catastrophes were regarded as a "visitation of Providence." What obvious precautions were neglected? What needless risks were run? These questions were repeated everywhere and an answer insistently demanded. In full conformity, therefore, with public sentiment, the legislature enacted chapter 561 of the laws of 1911 creating the New York State Factory Investigating Commission.

When the legislature considered what the work of the commission should be it concluded that while the loss of life and property by fire was alarming and means should be found to decrease it, there was a daily, an hourly, loss of life and vitality by reason of the unsanitary conditions under which men and women worked—the lack of proper illumination and ventilation, for instance, exposure to extremes of heat and cold and to sudden changes of temperature, exposure also to mineral dusts, acids and poisonous gases. Such conditions called aloud for investigation and improvement.

So the scope of the investigation was made far broader than had been originally intended, and the commission was directed to investigate not alone fire prevention and fire protection in factory

buildings, but to examine and report upon the whole subject of the employment of men, women and children in factories and industrial establishments, including manufacturing in tenement houses, the work of women and children in the canneries of the state, night work by women, child labor, conditions in bakeries, and conditions in what are known as "dangerous trades."

The commission held public hearings and executive sessions in New York City and in all other cities of the first and second class in the state and presented a preliminary report, many of the recommendations of which were embodied in the Labor Law. During this first year 1,336 industrial establishments were covered by the investigation. In these establishments 63,374 wage earners were employed.

By chapter 21 of the laws of 1912 the time of the commission, during which it should continue its investigations, was extended to January 15, 1913. This act extended the jurisdiction of the commission to all cities of the state and also empowered the commission to investigate the general conditions in mercantile establishments. There were 1,338 industrial establishments in 45 cities and giving employment to 125,961 wage earners, covered by the investigation of 1912.

While the commission was anxious to improve the condition of all factory workers, it naturally felt the greatest concern for the women and children employed by factories, *i.e.*, not only working in a factory but for and in connection with a factory. In the first place, the whole question of night work by women was thoroughly investigated by the commission, and, indeed, it may be said that no other investigation revealed conditions more dangerous to health and public welfare than the employment of women at night in the factories of the state. Conditions of life were revealed which seemed certain not only to destroy the health of the women so employed but to threaten the very existence of the young children dependent upon them for nourishment and care.

Besides night work done by women, the commission investigated especially the long hours that women are required to work in factories and for factories, and, finally, the employment of children under fourteen years of age in tenement house manufacturing and in the cannery sheds of the state.

During the night work investigation, one large industrial plant in the central part of the state, employing from 130 to 140 women

on night shift, was visited by the commission's investigators. These women worked for ten hours on five nights of each week, from 7 p.m. to 5.30 a.m. with a break of half an hour at midnight. They were exposed to much dust, great noise, and, in some rooms, intense heat. Most of them being married (the factory prefers married women for night work), in the day-time they took care of their children, did the housework, including the preparation of three meals a day and succeeded in getting an average of four-and-a-half hours of sleep in the twenty-four.

One of the investigators writes: "The women as a whole are a disheartening group, in their oily dust-laden clothes, with drawn white faces and stooping gait."

It is not to be expected that ignorant foreign women should understand the danger to their own health and the health of their children from such living conditions; still less that they should realize the moral danger to the community from the birth of weak, anaemic children, of human beings who are brought into the world without even a fighting chance. That the legislature both realizes the danger and approves of the commission's work is evident from the passage of the bill prohibiting the night work of women in factories.

For thirty years the legislature of New York has at different times struggled with the problem of home-work in tenement houses.

It was felt this work could not be entirely prohibited at this time. Such prohibition would be attacked as unconstitutional. But the state has tried to safeguard both the workers and the public by more and elaborate systems of inspection. Unfortunately, the state has not been able to provide a sufficient number of inspectors, while, on the other hand, the greed of manufacturers has caused the spread of homework until now hundreds of articles of wearing apparel, toys and even foodstuffs are made or finished in the tenement homes of the workers.

The investigation of tenement house manufacturing in New York City was made between October 10 and November 25, 1912. It was found that 87.3 per cent of the home finishers were married women living with their husbands. The sums paid for home-work are pitifully small; an Irish crochet yoke, for instance, brought its maker 9 cents, out of which she expended  $2\frac{1}{2}$  cents for thread. Homework is resorted to by women in the tenement houses to eke out the family income. Not only do the women spend long hours on this

work, but little children, sometimes as young as three and four years of age, are drafted into it. They were found by the commission's investigators making artificial flowers, willowing plumes, running ribbons in underwear and working on foodstuffs and baby clothes. Naturally their health suffers and their education suffers for they must work before and after school and all day Sunday. One little girl of nine said she had to work in the daytime and had no time to play, but that sometimes she was allowed to go out at night "to save the gas." Many cases, too, are reported of very young girls turning to a life of prostitution because they were "tired of work"—tired of the incessant grind of the factory before they had reached the legal age to work in a factory at all.

As for the danger to the public health from manufacturing in unclean and infected tenement houses, the evidence heard by the commission shows that it is appalling. Much of this work is done by ignorant foreign women who cannot be made to see that they ought not to work while their children are ill in the same room or while they are ill themselves. It is then that they "need the money most." Indeed, hundreds of cases were reported to the commission of work done in rooms where there was a contagious or infectious disease—consumption, scarlet fever or one of the loathsome skin diseases. Nor do the manufacturers who thus make the tenement homes of workers an adjunct to their factories take any proper precautions or even make any inquiries when giving out home work as to the sanitary conditions under which it is to be done. One candy manufacturer, for instance, when asked how the meat was picked out of nuts, answered: "They should pick it out with a knife." "But," he added, "we do not give them the knife." Questioned further as to whether the home workers ever cracked the nuts with their teeth he replied carelessly: "They should not do that. I do not know whether they do or not."

The commission's tenement house bills have already passed one branch of the legislature and will probably become law. They prohibit absolutely the manufacture in a tenement house of foodstuffs, dolls, dolls' clothing and children's and infants' wearing apparel. They provide that all tenement houses in which home work is done must be licensed and that such license may be revoked if the Commissioner of Labor finds conditions therein unsatisfactory; that all factories having work done in tenement houses must take out a per-

mit, which may be revoked if the factory does not comply with the requirements of the law, and a register of the names and addresses of all persons to whom home work is given out must be kept by the factory and an "identification label" must be placed on all such home work while it is in the tenement house. Finally, no child under factory age, *i.e.*, less than fourteen years old, shall be allowed to do home work for a factory.

A majority of the commission's investigators were warmly in favor of prohibiting home work altogether. As has been said, however, that could not be done at this time. The next best thing, in the opinion of the commission, was to make the giving out of home work unpopular by making it public. Heretofore the commission's inspectors have obtained the names and addresses of home workers with the greatest difficulty—sometimes false addresses were given them at the factory—and it has been almost impossible to ascertain at the tenement house the name of the manufacturer for whom the work was being done. These difficulties are both removed by the register at the factory and the identification label at the tenement house.

In another field of investigation the commission found women working incredibly long hours, and found, too, that children from three and four to fourteen years of age were employed on work in connection with a factory. This was in the great fruit and vegetable canneries scattered throughout the rural parts of New York state. Here, too, the majority of the workers are foreign—Poles and Italians, for the most part—whom the canners bring out from the city in families and "camp" near the factory in huts scarcely more habitable than the cannery sheds.

The canners say that they are unable to prevent this excessive overwork on the part of women. "The Lord ripens the crops," they are fond of quoting, and when the crops are ripe they must be canned immediately or they become worthless. The canners claim, further, that while the women work for 80, 90 or 100 hours a week during what are known as "rush" periods, there are succeeding rest periods when work is slack or ceases altogether, and that the average number of hours per week throughout the canning season is not, therefore, abnormally high.

During the summer of 1912 the commission inspected 121 out of the 128 canning factories of the state. A canning factory con-

sists of at least three buildings, the cannery shed, where the vegetables are prepared—and it is here that the children work; the factory proper, where the vegetables are canned and cooked; and the storehouse where the cans are packed and from which they are shipped.

The commission had a number of “working investigators,” who found employment in the canneries and so acquired first-hand knowledge of every detail of the work. None of these “working investigators” was employed in canneries where the women were kept at work for more than 80 hours a week. At the public hearing, however, held by the commission at Albany on November 26, 1912, to consider its proposed cannery legislation, it was proved by examination, as well as by the time books of the canneries in question, that women worked 80, 90 and 100 hours during successive weeks, as is shown by the following tables:

*Case A*

First week.....	88 hours
Second week.....	94½ hours
Third week.....	62½ hours

*Case B*

First week.....	62 hours
Second week.....	82½ hours
Third week.....	86½ hours

*Case C*

First week.....	74 hours
Second week.....	74½ hours
Third week.....	105 hours
Fourth week.....	61 hours

In case after case testimony was given by the canners themselves before the commission that women work 100, 110 and 115 hours a week. In one case, also, a woman reached the astounding total of  $119\frac{3}{4}$  hours of work in one week.

It further transpired during the investigation that the possibility of relieving “rush” periods and preserving crops in cold storage had by no means been exhausted by the canners and that in one case, at least, women were kept working for long overtime hours labeling cans. The commission’s bill, which, like the tenement house bill, has already passed one branch of the legislature, limits the number of

hours per week which women may work in a cannery to 54, except that between June 15 and October 15 they may work not more than 6 days, or 60 hours, in any one week or 10 hours in any one day. During the pea crop season, extending from June 25 to August 5, the industrial board to the Department of Labor may permit the employment of women for 66 hours a week, if it finds that such employment will not endanger the health of the workers.

Snipping beans is decidedly work, not play, and the children are further exposed to cold and damp, for the cannery sheds are usually not enclosed. The children are exposed, also, in some cases, to the noise and danger of machinery in the factory proper and are always robbed of their school vacation, often of several weeks or months of school, to swell the family budget by from \$1 to \$2 a week.

The commission's bill forbids the employment of children under fourteen on work in connection with a factory—thus including the cannery sheds.

The tenement house bill and the cannery bill have, as has been said, passed one house of the legislature and will probably become law. A bill, also covering conditions in bakeries—their cleanliness, ventilation, illumination and drainage, as well as the health and cleanliness of the bakers themselves—has, like the tenement house and cannery bills, already passed one house of the legislature. This bill provides that persons operating bakeries shall obtain a sanitary certificate from the Department of Labor, which must be renewed, on inspection, each year. It also prohibits future cellar bakeries which, the commission found, not only constitute the majority of bakeries in New York City, but, from the character of their construction and the unsanitary condition in which they are maintained and operated, constitute a formidable and ever present danger to public health.

The commission submitted thirty-two bills in all to the legislature. The majority of them have already received the signature of the governor and have become law. Such are the fire prevention and fire protection bills, one of whose most important provisions is that limiting the number of workers employed in a factory building to the capacity of the exits; also the bill in relation to the housing of factory employees (referring to the "labor camps" of the canneries; the bill providing for a physical examination of children (from fourteen to sixteen years of age) employed in factories and the cancella-



tion of their employment certificates in case of physical unfitness; the bill preventing night work on the part of women; that providing for sanitary conditions, washrooms, etc., in factories; and, finally, the bills for lessening the danger to life and health in the dangerous trades.

Of these thirty-two bills the most important are those providing for a thorough reorganization of the State Labor Department. This is constructive legislation; it provides the machinery whereby the other recommendations of the commission may be carried into effect. It has become a law, having been passed by the legislature and signed by the governor. The legislature, further, has extended the time of the commission for one year and instructed it "to inquire into the wages of labor in all industries and employments and the conditions under which labor is carried on throughout the state, and into the advisability of fixing minimum rates of wages or of other legislation relating to the wages or conditions of labor in general or in any industry."

At no time has the commission lost sight of the fact that it is an investigating commission and not a prosecuting or persecuting commission. In the various stages of its work—collecting first hand testimony, embodying its recommendations in the form of tentative bills and receiving suggestions on these bills at its public hearings and private conferences—the commission has endeavored to be just and reasonable to all concerned. At these hearings, moreover, the commission has allowed the cross-examination of its own inspectors and investigators by parties in interest and by their counsel—an unusual concession—and also allowed parties in interest to call witnesses and to have their own counsel examine them.

The public hearings were largely attended, and, the commission believes, productive of great good. For even when the manufacturers were opposed to the suggested measures of the commission, they acknowledged that its methods were eminently just and fair, and, to the credit of many of the manufacturers, be it said, that they were willing to meet the commission half way, or more than half way, in the matter of remedial legislation. For instance, at the hearing in Albany on November 25, 1912, devoted to a proposed foundry bill, the Commissioner of the National Association of Founders said:

I have been devoting considerable of my time in endeavoring to get the foundry owners throughout the country to bring about better working conditions which go far beyond anything you have suggested in these measures. . . . It is a business proposition, cutting out the philanthropy and all that sort of thing.

And a very conservative foundry owner who was present added: "We believe the most efficiency is obtained by men who are surrounded by good conditions and who are in well-heated rooms, free from gas, dust and smoke, and furnished with water, good washing and bathing facilities."

Such an attitude on the part of manufacturers—and it is everywhere appearing in New York state—is full of promise for the future.

Returning to the reorganization of the Labor Department, the commission had to consider, at the outset, whether to place it in charge of a body of men or of a single individual. The commission believes that it has solved this problem satisfactorily. It did so after consulting with practically every social worker of prominence in the state of New York and receiving his or her opinion. The commission form of reorganization is created to conduct investigations and to make rules and regulations for the improvement of working conditions within the provisions of the Labor Law; but the Commissioner of Labor, a single individual, is made the executive head of the department and upon him is placed the responsibility of enforcing the laws and regulations. There can thus be no shirking of responsibility or division of power, and at the same time, for deliberative matters the judgment of a body of men is secured.

The commission believes, as a result of its investigations and study of the subject, that the present Labor Law is based on an erroneous theory; namely, the theory that every detail of the requirements for the protection of the health and safety of workers should be expressed within the four corners of a statute. In Europe this theory has long since been abandoned. There the statutes are very broad and general and power is given to administrative boards to make rules and regulations for their application under varying circumstances and conditions.

Under the Labor Law as it is at present framed, a statute may be beneficial at the time of its enactment, but, owing to the adoption of new methods of manufacture or the installation of new machinery, it may become unfair and injurious. Again, a statute may work

admirably in the case of one industry, but seriously hamper the activities of another. The difficulty and delay in amending the statute law and the very formidable danger of making it vague and indefinite in meaning, all force the conviction that the statute law itself should not attempt to cover the details of the proposed enactment, but should be elastic and flexible. In other words, that it should state the minimum and maximum of what is required, leaving the details to be filled in for particular industries and for different times, according to the changing needs and conditions of those industries.

With this idea in view, the commission recommends the creation of an industrial board in the Department of Labor, to consist of the Commissioner of Labor as chairman of the board and four associate members to be appointed by the governor, with the advice and consent of the Senate, for four years, the Commissioner of Labor having an equal vote in all proceedings of the board. The commission recommends that one of the four associate members of the board should be a woman (because women have aided the work of social betterment materially and effectively and there are 400,000 women workers in New York); and that the other three members should be a representative of labor, a representative of the employers and a man of science.

The industrial board shall be a permanent investigating body with power to subpoena and require the attendance of witnesses and the production of books and papers pertinent to the investigation on hand. Further, each member of the board shall have the power to make personal inspections of all factories, mercantile establishments and premises affected by the labor law.

The board shall also have power, within the limits of broad, general statutes, to make, amend and repeal rules and regulations for carrying into effect the provisions of those statutes. Such rules and regulations may apply in whole or in part to particular kinds of factories or workshops or to particular machines, apparatus or articles; or to particular processes, industries, trades or occupations; or may be limited in their application to factories or workshops hereafter established or to machines or apparatus hereafter installed.

The present provision in the Labor Law with regard to adequate ventilation, for instance, has been a dead letter. The industrial board would have the power to fix standards of ventilation, tem-

perature and humidity, to be applied to different industries, under different conditions, and those standards could be changed or modified as circumstances required. The present provision that each occupant of a workroom should have 250 cubic feet of air-space has afforded little or no protection to workers. This hard-and-fast requirement of the law was met by making the ceilings in factory workrooms 15 feet high, while the floor space was so congested as almost to preclude the possibility of escape in case of fire. The commission, in its fire bills, not only provides for adequate floor space, but further requires that the number of occupants in any factory building shall be limited to the capacity of the exits. This provision, together with other provisions for the management and construction of factories looking toward fire protection and fire prevention, is to be enforced by the rules and regulations of the industrial board. But all such rules and regulations must, of course, be consistent with the minimum or maximum requirements specified in the statute itself.

The bureaus of the Labor Department also are to be increased in efficiency. Under the bureau of inspection (and all inspection work is to be concentrated in this bureau) provision is made for a division of factory inspection and one of mercantile inspection. A division of industrial hygiene is also added, to be composed of scientific inspectors, each an expert in his own special line. To these men is given the conduct of investigations of a highly technical character, and the preparation of material for leaflets and bulletins calling attention to dangers in particular industries and the precautions by which they may be avoided.

To the bureau of statistics and information—and the bureau of statistics has done excellent work in the past—is committed the work of collecting and codifying statistical details and information with regard to workers and industry generally; of preparing the industrial directory required by section 49 of the Labor Law; and of printing, publishing and disseminating such information and statistics as the Commissioner of Labor may direct for the purpose of promoting the health, safety and well-being of industrial workers.

Heretofore the Labor Department has been content to act as a "police" department. Its sole object has been the detection and punishment of offenders against specific provisions of the Labor Law. It has failed even in placing before itself as an ideal to be striven for

the true functions of such a department, which is the education of the workers, the establishment of closer and more friendly relations between worker and employer, and the enlisting of their active coöperation, not only in the enforcement of the law but in the steady and constant improvement of working conditions.

There can be no doubt that greater efficiency on the part of the workers means increased profits for the manufacturer, that safeguarding the life and health of his employees pays the employer even from the standpoint of dollars and cents. In addition to this he gains an asset, no less real because it cannot be put down on the credit side of the ledger, in the loyalty of his workmen and their increased willingness to further the interests of an employer who has shown himself mindful of their own.

The story is told of one of the Roman emperors who, on the eve of battle, was wandering in disguise from group to group of his soldiers and listening to them as they weighed their advantages and disadvantages as compared with the enemy. "They outnumber us," said a soldier. "Ah, if we only had a thousand more men!" "How many do you count me?" asked the emperor quietly, stepping out of the darkness.

So it is in times of emergency or crisis. The employer who has considered the welfare of his workers has something to count on in their loyalty, and, other things being equal—and they sometimes are equal—he is less likely to be driven to the wall than the employer who has treated his workmen like machines to be carelessly worn out and as carelessly replaced.

"Thou shalt!" and "Thou shalt not!" must always be said, for unfortunately, there will always remain people who are ready and willing to take advantage. There are, however, many times when "This is the thing to be done," and "This is the best way to do it" may more profitably be said. Perhaps a fair half of the human race are, as Portia says, "not bred so dull but they can learn," and a majority, many of us think a large majority, are accessible to wise kindness. More and more governments are coming to this idea of leading rather than driving. Not all need be lashed because the whip is the only argument that appeals to some. And it is upon this idea of leading, training, education, that the reorganization of the Labor Department is based.

## IMMIGRATION AND THE MINIMUM WAGE

BY PAUL U. KELLOGG,  
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The line of least resistance in extending the protection of the state over labor conditions has been to enact laws with respect to women and children. The world-old instinct of the strong to shelter the weak has led the conservative to join forces with the radical, in prohibiting child labor and in shortening the hours of women's work. On the other hand the liberty loving tradition of a male democracy has more often than not thrown the balance on the other side of the scale when the exercise of public control over men's labor has been under discussion.

This tendency has been repeated in the movement toward minimum wage legislation. The voluntary Massachusetts law which goes into effect this year concerns women and children; and so, too, does the compulsory statute which has just passed the Oregon legislature. Public discussion the past winter has centered around the relation between the low wages paid working-girls and prostitution.

Accident legislation is an exception to this tendency in the field of labor legislation. We do not think of limiting compensation laws to the girls who lose an eye or a hand; we are perhaps even more concerned that industry bear its human wear and tear when working-men are crippled or their lives snuffed out. The explanation is, of course, a simple one; in this connection we conceive of the working-man as the breadwinner of a family group; and in self-protection American commonwealths are belatedly devising schemes of insurance which will safeguard those dependent upon him.

As we come to look at the problem of living wages more closely, my belief is that legislatures and courts will increasingly take cognizance of the household and community well-being which hangs on the earnings of men. It is this aspect which makes the question of the minimum wage as it concerns common labor—and as it is aggravated by immigration—if anything, more serious than the question of the minimum wage as it concerns women.

During the past month we have seen whole cities scotched by the floods. Our self-engrossed neglect of the water courses of the mid-western basin, the encroachments of private holdings upon the beds of streams, and the persistent stripping of their woodsy sources have brought a retribution. The nation leaps to tardy relief as the waters burst the dams, strangle men and women and swamp the cities in their course. Dwellings go under before men's eyes and whole communities which have taken their security for granted see store and street and familiar meeting place sunk in currents over which they have lost control. It has all been spectacular and vivid. The laws of gravitation and of fluids, the "Mene, Mene, Tekel" of narrow private ends and of public preoccupation have been written large in mud and privation. Misery has daubed its lesson up and down the river valleys for all men to read.

The economic ebb and flood of our common life has usually no such spectacular appeal to the imagination; yet, if we turn to the forty volumes of the federal immigration commission—volumes which, seemingly, Congress has done its best to keep from general reading—we find a story of household wreckage and of the slow undermining of community life as real as this seven days' wonder of the Ohio Valley. They show us that in the states east of the Rocky Mountains the basic industries are today manned by foreigners three to two; that there are as many names on these pay-rolls from eastern Europe and Asia as there are names of native born and second generation Americans put together. They do not show that the new immigrants have hired out as common laborers for less pay than the old did in their time, for the revolutionary rise in prices throughout the period under discussion must be taken into account. But they go far to show that the newcomers have at least kept down wages and have perpetuated other standards against which the older men were ready to protest. Of the heads of foreign households tabulated by the commission, seven out of ten earned less than \$600 a year, while among the native born the proportion was only four out of ten. Of the foreigners very nearly four out of ten earned under \$400 a year, or an average, this last year of less than \$1.50 per working day. In less than four out of ten of the foreign born households were the husband's earnings depended upon as the sole source of family income.

In a word, the immigration commission's report was an extensive exhibit that the American day laborer's pay is less than a living wage for a workman's family by any standard set by any reputable investigation of the cost of living; that the bulk of day laborers are immigrants; that their numbers and industrial insecurity are such as to perpetuate these low pay levels and to introduce and make prevalent lower standards of living than customary among the workmen they come among.

The commission's figures are such as to give strength to the searching charge of the immigration restrictionists that "so long as every rise of wages operates merely to suck in unlimited thousands of the surplus population of Europe and Asia, no permanent raising of our own standards can be hoped for."

Nine out of ten of the common laborers of America are today of the new immigration. A light is thrown on why they lend themselves to exploitation by the facts that before coming only a third of these eastern Europeans and Asians can read and write; that half are peasants and farm hands; that only an eighth are labor unionists and that nearly a fifth have never in their lives worked at wages. Neither in literacy, industrial skill, money-wisdom, nor cohesive strength are they as self-resourceful as the men of the immigration which preceded them, much less of the native born. More important to my mind than the fact that before coming a third are unlettered, is the fact that nearly a fifth have never worked for wages before coming.

We have assumed that the economic law of supply and demand would bring a wholesome equilibrium to this inrush of the terrible meek. As well count on the law of gravitation to solve the flood problem of the Miami. That law is, to be sure, the ultimate rule of physics on which any scheme of flood prevention must be based. Water is health giving, thirst quenching, power giving, beneficial; gravity holds the world to its course; but left to their own devices water and mass attraction may become brute forces for destruction. So, too, the unregulated forces of an economic immigration.

Let us consider some of the social reactions which these forces, left to their own devices, have exacted.

They have changed the make-up of entire communities among us. During the Westmoreland coal strike, whole villages of miners were evicted with their families from the company houses and new miners



installed. But what happened thus overtly in strike time has been going on slowly and half-noticed throughout western Pennsylvania for twenty years. The function of the old pick miners has been largely done away with. With the coming in of new methods and mine machinery, their labor organizations have been driven out, and they, themselves, have left the Connelsville region for the new fields of the middle west and southwest, where the pressure of competition by recent immigrants is not so strong. Churches, lodges, the whole slow growing fabric of English speaking community life, have been supplanted by a new order. And not only have the immigrants dislodged the earlier races from their footing, but their own industrial tenure is insecure. Dwellers in company houses, whole communities, live by sufferance of the mine operators who can call in new greeners to take their places.

The effect on household life has been as disturbing as that upon community life. At these low economic grades people live on the boarding boss system, one woman cooking, washing and keeping house for from two to twenty lodgers who sometimes sleep two shifts to a bed.

It might be thought that the immigrants' desire to save is responsible for these results. In part that is true. As the Pittsburgh survey pointed out, a single man can lay by a stocking full at this barracks life; a boarding boss can get ahead at cost of a dead baby or two, or his wife's health; a whole family can eat, sleep and live in a single room; but the foreigner who takes America in earnest and tries to settle here and support a family, must figure closer than our wisest standard of living experts have been able to do, if he succeeds in making good on a day labor wage. The Buffalo survey found \$1.50 as the common labor rate in that city in 1910. The maximum income which a common laborer can earn working every day but Sundays and holidays at \$1.50 per day is \$450 a year; bad weather, slack work and sickness, cut this down to \$400 for a steady worker. Yet the lowest budget for a man, his wife and three children which Buffalo relief workers would tolerate was \$560. There is a deficit here of \$160 which must be made up by skimping or by income from other sources, and that deficit is as much as the man himself can earn by four months' solid labor. Yet this budget called for but three small rooms, for five people to sleep, eat and live in; called for but 5 cents a week for each one of the family for recreation and extravagance.

How people make shift against such odds was illustrated by one household where in a little room 6 feet by 9, a room which had no window at all to let in air, they found two cots each with a man in it, and a bed which held two young men and two girls, one of whom was thirteen years old. This was not a house of prostitution. It was a family which had taken in lodgers to increase its income.

Household and community life are further affected by the infiltration of women-employing trades in centers of immigrant employment; and with it the spread of the family wage, not the family wage earned by the man, but the family wage earned by man, woman and children all together, such as is the curse of Fall River and the cotton towns of Massachusetts.

The New York bureau of labor statistics has just issued its report on the Little Falls strike, the first adequate pay-roll investigation ever made in New York at the time of a strike against a reduction in wages. Nearly half of the men were found to be receiving \$9 a week or less. Nearly 24 per cent were receiving not over \$7.50 per week; 48½ per cent of all the women employed were receiving \$7.50 or less and 30 per cent received \$6 or less. The official figures taken from the pay-rolls by the bureau of labor statistics tended to justify substantially what the strikers had alleged as to their wages. The testimony of the employers before the bureau of arbitration that the wages paid in Little Falls were not less than those paid in other mills in the district indicates that here is a problem not of one locality alone. "The one outstanding and unavoidable conclusion of this report," says the bureau of labor statistics, "is that there is need of a thorough and general investigation of the cost of living among the textile workers of the Mohawk Valley."

This trend toward the family wage is a matter of much concern to the state of Pennsylvania in the years ahead, with the coming of textile mills to the coal regions, and with the widespread development of the state's water power. I was told at the time of the strike in the railroad shops at Altoona—it may be hearsay, but there was truth in the underlying tendency—that in the councils of the local Chamber of Commerce the Pennsylvania Railroad had been averse to inducing any metal trades establishments to settle in Altoona. The reason ascribed by my informant was that these establishments would have competed as employers in hiring mechanics and the men's wages would have gone up locally. But invitation to textile mills was

encouraged—textile mills which would employ wives and daughters and increase family incomes while lessening the tuggings at the car shop pay-roll.

Let me cite a case brought out last year at a hearing before the New Jersey immigration commission. This was an account book of a methodical German weaver in a Passaic woolen mill. It illustrates the soil in which the revolutionary labor movement is taking root so fast and which the sanctioned institutions of society, in more than this solitary instance, have failed to conserve. The man is forty-five years old, a weaver of twenty-seven years' experience, and his expertness as a workman is, it was said, shown by the fact that he had seldom or never been fined for flaws in his work—one of the grievances most keenly felt by a majority of the strikers. The record showed a total income of \$347.40 for nine months. And a careful estimate put the annual earnings on which this father of thirteen—three now "under the ground," three now old enough to work—could count upon from his own efforts in bringing up his family, as less than \$500.

The record revealed much else, good and bad, besides this blighting total. In the first place it showed the seasons. Except in bad years the woolen trade is said to have no period of shut down. But July and August are slack months and the short hours worked flattened out his pay envelopes for weeks at a time. Settlement and charity organization workers know that there is nothing that tends toward demoralization in a family like an unsteady income—up and down. No pay at all was received by this weaver for the week of June 12 (fifty-five hours' work). His explanation was that some wool is bad and requires constant mending, keeping the output low, that pay was strictly based on the number of yards turned out, and that no payments were made until a certain quantity was on hand. This no-pay week was followed by a low pay week of June 19. That is, after two weeks' work amounting to 110 hours at the looms, with practically no fines for flaws, a weaver of twenty-seven years' experience took home \$6.65. It is this sort of pressure which sends<sup>so</sup> the women and children of a household to the mills.

We may differ as to the desirability of the entry of women into industry, and as to its effect on the women and on the home; but we should be united in holding that if the women go into the world's work, their earnings should lift the joint income to new and higher

levels, and not merely supplement the less than family wage paid the man; add two and two, only to find that the resulting sum is two.

It is to be said for this onrush of international workmen that they have supplied a flexible working force to American manufacture and have stimulated industrial expansion beyond all bounds. But against these gains must be set off the fact that they have as powerfully accentuated city congestion and all its attendant evils, and have aggravated unemployment. The immigration commission found that in some industries the oversupply of unskilled labor had reached a point where a curtailed number of working days results in a yearly income much less than is indicated by the daily rate paid.

A more serious aspect of the situation is that changes in machinery are adapted to the permanent utilization of these great masses of crude labor—60 per cent of the whole force in steel production for example. The old time ditch diggers and railroad construction gangs paved the way for our city trades and train crews. They were building foundations for normal work and life. They appealed to the get ahead qualities in men. The new day labor is a fixed, sub-normal element in our present scheme of production; it stays; it will continue to stay so long as back muscles are cheaper than other methods of doing the work.

My own feeling is that immigrants bring us ideals, cultures, red blood, which are an asset for America or would be if we gave them a chance. But what is undesirable, beyond all peradventure, is our great bottom-lands of quick-cash, low-income employments in which they are bogged. We suffer not because the immigrant comes with a cultural deficit, but because the immigrant workman brings to America a potential economic surplus above a single man's wants, which is exploited to the grave and unmeasured injury of family and community life among us.

I have reviewed the situation much along the lines in which it impressed me two years ago, at a time that the immigration report was first given to the public. What have we done about it in those two years—or for that matter, in the last decade?

What have we Americans done? I am afraid the cartoonist of the future is going to have good cause to draw the present day manufacturer pleading with one hand for federal interference against his foreign competitors, and with the other beckoning to the police to protect him against strike riots; but resisting with both hands every

effort of the public to exert any control whatever over his own dealings with his work people. Petty magistrates and police, state militia and the courts—all these were brought to bear by the great commonwealth of Massachusetts, once the Lawrence strikers threatened the public peace. But what had the great commonwealth of Massachusetts done to protect the people of Lawrence against the insidious canker of subnormal wages which were and are blighting family life? Do not mistake me: The exceptional employer has done courageous acts in standing out for decent wages in the face of competition from those who are not squeemish in their treatment of their help; but employers as a body have quite failed to impose minimum standards on the whole employing group; and the exploiters have brought whole trades into obloquy.

Nor have the trade unions met any large responsibility toward unskilled labor. Through apprenticeship, skill, organization, they have endeavored to keep their own heads above the general level. Common labor has been left as the hindmost for the devil to take. The mine workers and brewers and some few other trades are organized industrially from top to bottom, every man in the industry; but for the most part common laborers have had to look elsewhere than to the skilled crafts for succor.

They have had it held out to them by the I. W. W., which stands for industrial organization, for one big union embracing every man in the industry, for the mass strike, for benefits to the rank and file here and now, and not in some far away political upheaval. This is what has given the revolutionary industrialists their popular appeal, so disturbing both to the old craft unions and the socialist party. We may or may not like the temper of Mrs. Pankhurst's methods, but we recognize the suffrage cause as something which transcends the tactics of the militants. In the same way it can be said for Haywood and his following that they have sounded the needs of common labor and held up hope for its rank and file with greater statesmanship, sympathy and structural vision than all the employers and craft unions put together. At such a juncture the ordinary American may well ask himself if a general upheaval of society is the sole way open in which the evils of unskilled, low paid labor can be mastered by a resourceful people.

The only recent schemes of trade organization which match the I. W. W. in democratic promise are the protocol agreements in the

women's garment trades in New York. These are open to all workmen in the trades; they stand for minimum standards, and they employ the joint force of organized employers and organized employees, to whip the black-sheep shop into line. Yet as I see it, here again the pressure of immigration is a twofold threat to the permanence of these plans—the competition with New York by outside garment centers where immigrants can be exploited without let or hindrance; and the retardation of wage advances at New York due to the glut of immigrant labor at the great port.

So much for voluntary action. What has the state done to throw social control over common labor? Very little. Child labor legislation staves off a season or two the inflow of immature workers into the unskilled labor market. Laws prohibiting the night work of women have eased the sex-competition for jobs at some few points. As already stated, minimum wage legislation has been limited to date to women and children. When by indirection the new 54 hour law for women tended to raise pay  $1/26$  for both men and women in the mills of Lawrence, the manufacturers risked the great strike rather than raise it. Political advantage has led city administrations to pay common labor more than private employers, but in general the public has done nothing to control the wages of common labor.

The measure calculated to affect them most markedly has been the immigration restriction legislation which passed both houses of Congress at the last session, but which was vetoed by the President.

The immigrant commission held that to check the oversupply of unskilled labor a sufficient number of immigrants should be debarred to produce a marked effect. This was their major recommendation and as the most feasible method to carry it out they favored the exclusion of all those unable to read and write some language.

As a quantitative check this literacy test can be successfully defended. It will unquestionably shut out large numbers of immigrants and that reduction in the gross number of job-hunters could scarcely fail to raise common labor pay and improve conditions of life at the lowest levels.

As a selective method the literacy test has been sharply and I think successfully challenged. The people let in and those shut out could not be confidently described, the one group as desirable, the other as not.

As an obstruction to the political and religious refugees, who in addition to their other oppressions have been deprived of schooling, the literacy test arouses the opposition of social and liberty loving groups on all hands. On this rock restriction legislation split in the last Congress, as it has split for years past.

In its failure, in the failure of any other proposal to materially improve common labor standards I venture to put forward a plan,<sup>1</sup> which has not been combated in any quarter in ways convincing to me either as to its illogic or its impracticability.

My plea is to apply the principle of child labor legislation to our industrial immigration—to draft into our immigration law the provision that no immigrant who arrives here after a specified date shall be permitted to hire out to a corporate employer for less than a living wage—say \$2.50 or \$3 a day—until five years are elapsed and he has become a naturalized citizen. When he is a voter, he can sell his American work-right for a song if he must and will, but until then he shall not barter it away for less than the minimum cash price, which shall be determined as a subsistence basis for American family livelihood. I would make this provision apply also to all immigrants now resident in the United States who have not filed notice of their intention of becoming citizens by the date specified.

It would not be the intent or result of such legislation to pay new coming foreigners \$3 a day. No corporation would hire Angelo Lucca and Alexis Spivak for \$3 as long as they could get John Smith and Michael Murphy and Carl Sneider for less. It would be the intent and result of such legislation to exclude Lucca and Spivak and other "greeners" from our congregate industries, which beckon to them now. It would leave village and farming country open to them as now. And meanwhile as the available unskilled labor supply fell off in our factory centers, the wages paid Smith, Murphy, Sneider and the rest of our resident unskilled labor would creep up toward the federal minimum.

First a word as to the constitutionality of such a plan. It would be an interference with the freedom of contract; but that contract would lie between an alien and a corporation; between a non-citizen and a creature of the state. I have the advice of constitutional

<sup>1</sup>This proposal was first made in *The Survey* for January 3, 1911, and later, before a meeting of the National Conference of Charities and Correction at Boston, 1911.

lawyers that so far as the alien workman goes, the plan would hold as an extension of our laws regulating immigration. On the other hand, the corporation tax laws afford a precedent for setting off the corporate employer and regulating his dealings. Recent decisions of the supreme court would seem to make it clear that such a law could be drafted under the interstate commerce clause of the constitution.

For three special reasons my belief is that the general enforcement of such a law would be comparatively simple. Sworn statements as to wage payments could be added to the data now required from corporations under the federal tax law. This would be an end desirable in itself and of as great public importance as crop reports. In the second place, every resident worker would report every violation that affected his self-interest or threatened his job. For my third reason, I would turn to no less a counsel than Mark Twain's "Pudd'n Head Wilson," and with employment report cards and half a dozen clerks in a central office in Washington, could keep tab on the whole situation by means of finger prints. Finger prints could be taken of each immigrant on entry; they could be duplicated at mill gate and mine entry by the employer, filed and compared rapidly at the Washington bureau.

As compared with joint minimum wage boards affecting men and women alike, as do those of Australia and England, the plan would have the disadvantage of not being democratic. The workers themselves would not take part in its administration. But such boards might well develop among resident unskilled labor, once the congestion of immigrant labor was relieved. And the plan would have the signal advantage of being national, so that progressive commonwealths need not penalize their manufacturers in competing with laggard states.

As compared with the literacy test the plan would not shut America off as a haven of refuge and would not, while it was under discussion, range the racial societies and the internationalists alongside the steamship companies and the exploiters of immigrant labor. And it would have an even more profound influence on our conditions of life and labor.

What then are the positive goods to be expected from such a program?

1. It would, to my mind, gradually but irresistibly cut down the common labor supply in our industrial centers.



2. Once the unlimited supply of green labor was lessened in these industrial centers, a new and more normal equilibrium would be struck between common labor and the wages of common labor. Now it is like selling potatoes when everybody's bin is full.

3. It would tend to stave off further congestion in the centers of industrial employment and give us a breathing spell to conquer our housing problems and seat our school children.

4. It would shunt increasing numbers of immigrants to the rural districts and stimulate patriotic societies to settle their fellow-countrymen on the land.

5. It would tend to cut down the accident rate in industries where greeners endanger the lives of their fellows.

6. It would cut down the crowd of men waiting for jobs at mill gate and street corner, correspondingly spread out rush and seasonal work, and help along toward that time when a man's vocation will mean a year long income for him.

7. It would give resident labor in the cities a chance to organize at the lower levels and develop the discipline of self-government instead of mob action.

8. It would put a new and constructive pressure on employers to cut down by invention the bulk of unskilled occupations, the most wasteful and humanly destructive of all work.

9. It would bring about a fair living, a household wage, in such routine and semi-skilled occupations as remained.

10. It would tend to change mining settlements and mill towns from sleeping and feeding quarters into communities.



## PART TWO

### FAMILY STANDARDS



## THE STANDARDIZATION OF FAMILY LIFE

BY SIMON N. PATTEN, PH.D.,

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In the early history of America the dress, the habits, the morality, the relations between men and women could be predicted with certainty. In a home it was known both what to expect and what to do in return. This uniformity has been broken up by recent industrial changes through which the working population has been transferred from the farm to shops and factories. City life makes new demands and excites new wants. When old types of social control break down an epoch of confusion ensues; but human nature, or better said, social nature, at length asserts itself. A new uniformity arises which is expressed in standards that impose themselves on men through the advantage routine gives. They save themselves a thousand worries when it is known what is expected and what in turn others have a right to demand.

In this earlier country life the model wife was a good cook. Men gained in reputation by saving. Town life has so changed the conditions under which families thrive that these older virtues have lost their prominence. The high cost of food has made its economy of more consequence than its variety. A cleanly kitchen is now of more importance than the variety of preserves on its shelves. Women think of each other not in terms of their housekeeping virtues, but in those of dress and manners. Industrial occupations give to women an opportunity for skill and efficiency which is denied them in the interior of a two-story house. Dress, amusement and street activity create the forces that hold together the families thus environed. The family savings are collected in saving banks to be loaned out in large blocks to a distant railroad. A new transcontinental line may add something to the welfare of eastern workmen, but the addition is too small and the effect too indirect to make any perceptible difference in the incomes or standards of those who save. The only element in saving that can be visualized is life insurance, but even this end has

few of the upbuilding elements that the additions to the farm capital gave to men of earlier generations. Future progress depends not on these older family standards, but on the new ideals that city life evokes. As a nation we advance or retrogress as the typical city environment calls forth or fails to call forth qualities in men that make them masters of their new situation.

City life is too complex to yield to the kind of analysis that a farming community offers. Farm after farm has similar conditions and in moving from one state to another the farming unit remained the same. In a survey of city life the attention is attracted by the misery of the poor or by the extravagance of the rich. Neither of these classes offers a good field for the study of city evolution. The poor are crushed by the weight of their misfortunes. The rich are too free from environmental control to have their standards set by local conditions. These extremes are after all abnormal. The mode lies between them and in it are tendencies easily interpreted if the striking peculiarities of the extremes are disregarded. The mode changes but little even when the extremes are fluctuating or moving in diverse directions. Only slow persistent changes make for evolution. Striking changes are usually of little moment because counteracted by equally marked changes in other directions.

To cut off the fluctuating extremes and to reveal the persistent changes in the social mode, I shall divide American families into three classes. In the first are those having an income of less than \$15 a week; in the second are those with incomes between \$15 and \$40 a week; and in the third families with an income of more than \$40 a week. The second of these family groups has the greater importance. The poor die out or are transformed into the class above. The rich hold to the traditions and social codes of the past. Their standards are usually a generation behind those of the groups with less income. The trend of events among city populations is more readily measurable among the two-story homes than in the slums or in the fashionable districts. The city mode shows itself here and can be contrasted with the older mode so long prevalent in farming regions.

In agricultural communities, the standards and ideals of the workers are set by the conditions of the land they use. No such standards are available for the city artisan. Productive capital being out of his control has little effect in shaping his conduct. Personal character, therefore, is not influenced by the forms that productive capital takes nor by its increase or decrease. The morality of the

town man is not an economic morality shaped by his productive enterprises. It is an emotional morality directed against the evils he dreads more than by the ends he hopes to attain. Morality is thus a state of freedom where character formation proceeds from the pressure of wants and not from the restraints of situation. Six negations express this emotional morality. It would be an overstatement to say that they are clearly seen and emotionally revolting to all city workers but it can be said that they stand forth as limitations to aggression.

No privilege  
No exploitation  
No graft  
No unearned income  
No servility  
No debts

Primitive morality has sharp definite prohibitions coupled with clearly defined motives of action. Each item in the moral code stands alone. It is either a positive prohibition or a positive command. There is in each case a right and a wrong with no intermediate. All this is changed by the transfer of population from country to city. The prohibitions are no longer absolute but conditioned by the income expended. Good things are only relatively good; bad things are only relatively bad. The good of one age thus becomes the bad of the next. The only workman without character is he who has but one want. As additional wants are injected, crude cravings are suppressed or transformed into demands that harmonize with the growing budgetary pressure. Every cheapening of commodities or increase of income thus adds to the pressure of wants and forces a character development to meet the situation. This view of social advance must be contrasted with the positive prohibitions and commands of the older morality. Primitive standards, dogmatic judgments and objective authority will break down before city life can be reorganized in a way that will evoke character.

We can observe these changes best in families where the fear of poverty has been removed by regular employment at a living wage. One way to measure them is through the father when he divides his income among the various items in the family budget. The other is

the manner in which the daughter uses her income when she earns wages to support herself or the family. I shall consider only the cases of homed girls whose earnings are supplementary to that of the father. While the homeless girl has to struggle harder and is deserving of more sympathy, her expenditures do not show the trend of progress in the way that the choices of the homed girl do. We may assume that the homeless girl would do what the homed girl does if the way were opened by more wages or by more favorable conditions. There is no visible mode for boys as there is for girls. They are either much better or much worse than their fathers. Most girls are a little taller, a little healthier and a little more courageous than their mothers. If they are not so, either the conditions or the mothers are to blame. Girls, therefore, furnish the best standard by which to test progress. By their persistent efforts the standards of each generation are set. Large changes are man made, but the slow evolution of families is due to each girl's determination to raise her family above its present level. Every two-story home has a heroine whose struggles for better things are the source of its uplift.

In such a family the father has three persistent motives; to have a home, to give his children a start in life, and to make improvements in the city or town in which he lives. A generation ago this third want would not have been keenly felt. He would then have put life insurance or provision for old age as the third element in his budget. The protection against city evils is no longer a family affair. The removal of misfortune, disease, inefficiency and even of irregular employment is now a national affair, against which families would struggle in vain. This gives to the vote an importance that it did not formerly have. A change of interest results that gives to preventive measures the place that provision for sickness or old age formerly had. To keep well and to earn money until sixty is a better guarantee of a secure old age than schemes that carry with them the danger of a breakdown at forty.

It is under conditions such as these that the father distributes his earnings. The net result is a free reliable man with plenty of coöperative security in the family and community of which he is a part. The risks he runs are minor as compared with those he has safeguarded himself against. His budget shapes itself as follows:



Assets		Liabilities	
Home.....	\$4,000	Mortgage on home .....	\$1,000
2 Shares in filtration plant...	200	Support of self and wife from	
2 Shares in heat and light		60 to 70 years of age .....	5,000
station.....	200		
5 Shares in municipal trans-			
portation .....	500		
1 Share in municipal hospital.	100		
4 Shares in high school.....	400		
Support of two girls in high			
school.....	2,600		
For boy while in school and			
college.....	4,000		
Total.....	\$12,000	Total.....	\$6,000

Such a standardization of family income is well under way in the residence sections of many cities. Thousands of two-story homes give identical problems to their occupants and force similar solutions. The budgets of these families look as nearly alike as the homes in which they live. Kitchen, bathroom, food, furniture and parlor ornaments get a similarity that is deadening viewed as a mass, but which to each family give the motive and arouse the energy by which it is built up. Equally apparent are the standards of the girls within these homes. To round out her budget each girl must cut down certain expenditures so as to expand in other directions. This is the measure of her moral progress.

I have tried to obtain data that would indicate in what direction this pressure is being exerted with results that may be of value if their limitations are regarded. Figures are given, not with the idea of reaching averages, but of getting at the mode towards which dress expenditures are tending. Girls were sought who have as full a control as possible of their income. What these girls do, I assume other girls would do if they earned the same money and spent it themselves. Their wages are between \$10 to \$15 a week, supplementary to a family income of from \$12 to \$20 a week. Most of them are high school graduates under twenty-five years of age. Of them, I asked four questions:

1. What did you pay for your best hat?
2. What did you pay for your best dress?
3. Do you regularly contribute to the expenses of your family?

## 4. Do you regularly save some of your earnings?

The answers in the first table are those of a group of Philadelphia office girls who control their own expenditures. I regard them as the best group I have found to indicate the direction of budgetary choices among self-supporting girls.

	Best hat	Best dress	Saving	Home contributors
1	\$10	\$18	Yes	Yes
2	10	25	Yes	Yes
3	12	25	No	Yes
4	25	60	Yes	Yes
5	7	25	Yes	Yes
6	10	30	Yes	Yes
7	7	15	Yes	No
8	40	50	No	No
9	10	30	Yes	No
10	10	25	Yes	Yes
11	10	25	Yes	Yes
12	6	20	No	No
Average....	\$13 <sup>1</sup>	\$28		

In contrast to this group I give the answers of a group of New York girls. They are children of recent immigrants who give up their income to their parents and get back in clothes and comforts such articles as the parents deem wise.

	Age	Salary	Best hat	Best dress
1	18	\$13	\$5	\$19
2	18	10	5	20
3	19	12	8	25
4	20	14	8	28
5	19	13	2.40	18
6	20	10	5	23
7	20	8	2.40	14
8	19	13	1	30
9	18	9	4	30
10	18	7	4	25
11	19	9	.50	16
12	19	10	7	10
Average....	19	\$11	\$4	\$20

<sup>1</sup> Includes price of plume.

The New York group if compared with the Philadelphia girls would show a marked difference in taste. Their dresses would be of poorer material, but highly ornamented with lace and braid. Between these two groups would come the Boston girls of the same class. My facts about them are meagre, but they indicate an expenditure of \$7 for hats and of \$18 for dresses. The better dressing of the Philadelphia girls is due to the warmer climate and to increased outdoor life. The nearness to Atlantic City with its attractive boardwalk is an element as is also the fact that Philadelphia girls throw increasing emphasis on their summer vacation.

It is a mistake to regard these changes merely in terms of income or of place. Back of them are changes in family standards, in ideal, in health and even in physique. A new woman is appearing who differs in many ways from her predecessor. She is stronger, more healthy, more ambitious, and with moral qualities that match the new vigor. Her predecessor was sensory in development, who thought of her clothes as an ornament and not as a tool through which the ends of womanhood are reached. With greater physical vigor and more ambition, women love activity and cut out the contrasts in color and design in which the primitive woman indulged. Motor tendencies also promote self-consciousness at the expense of the sex-consciousness. The man-made woman dresses to emphasize her sex; the self-conscious woman subordinates her clothing to the needs of her own personality and her activity. The limitations thus created can be expressed in five negatives:

- No contrasted colors
- No lace, or embroidery or braid
- No belt at waist
- No ornamental buttons
- No jewelry.

This is not meant to express any woman's rules, but to emphasize observed tendencies. Women become less conspicuous but more impressive as ready-made clothing is substituted for custom-made or home-made garments. As the dress is standardized, the hat becomes more individualized and rises in price in relation to other articles of apparel. A costly hat is not a sign of extravagance, but a mark of the standardization through which greater economies are attained. The older standards of dress are an inheritance from earlier epochs in which women made their own clothes from models subject to personal

inspection. Variety of color and intricacy of design were thus favored. Today standards are set not by the inspection of other women's dresses but by the pictures and advertisements. In the frontispieces of magazines, the face and hat are made emphatic, while the details of bodily form are absent. Advertisements emphasize the outlines of clothing, but not its contrasts. It is difficult to reproduce striking colors or intricate designs. A simpler ideal of dress is thus created and the center point of attention is transferred from the body of a woman to her face. This reduces the sex consciousness of both women and men.

This paper cannot deal fully with the artistic phases of woman's dress, but some of its elements are so important that they must be stated. Woman makes both a spiritual appeal and a sex appeal. The spiritual appeal is made through the expression of the face, while the sex appeal is augmented by bodily contrasts. Whatever thus features a woman's face, whether in art or in dress, gives her a spiritual impress. The face is made prominent through the blending of colors so that it gives the tone to the impression. The dress should also be simplified and striking colors, if used, must be put on the hat above the face. To create sex effects, the body is featured by contrasts of color or design. Each part gets an emphasis centering attention on it. The face losing its significance sinks into a mere surface. Unless thoroughly conventional and hence archaic, woman's dress tends towards one of these forms. The active, healthy woman creates a spiritual impress by simplifying her dress and thus enhancing her facial beauty. Her less advanced sister clings to the older dress forms through which a lower appeal is made. Out of the struggle is coming a new womanhood with higher morality and more beauty. Dressing is thus more than an economy: it is the essence of moral progress.

The change from sex consciousness to self consciousness thus gives to each element in a girl's expenditure a character value that can be compared and contrasted. Qualities are no longer absolute because set by men or social tradition; they are measured by the elevation they give or by the protection they afford. Put in budgetary form, the moral values of such a girl shape themselves as follows:

Assets	Liabilities
Health	4 years in high school.....\$800
Efficiency	1 year of vocational training..... 300
Moral courage	1 hat..... 10
Trustworthiness	1 gown..... 30
Neatness	
Attractiveness	
Promptness	
Cheerfulness	
Prudence	
Manners	

Each item of expenditure yields a return in moral qualities which give to its possessor more independence and greater income. A becoming hat creates additional income and leads to a more complete development of moral traits. Does an expensive gown add to the neatness, cheerfulness, prudence or other upbuilding tendencies in its possessor? If so, it has a moral as well as a pleasure value. A series of pressures have thus been created, each acting as a restraint on desires previously dominant. The primitive wants were for food. Expenditures of this sort are checked in city people by the desire to own their own homes. Then the growing desire for fine clothing forces homes and food to become plainer. A still higher group of wants are now showing themselves in the desire for vocational training. When girls desire to earn their own living and boys want to go to college, expenditures for clothing are checked and standardized in the same way that food and homes have been. Efficiency is more compelling than expenditure and its standards are more consciously moral.

In the past the family has been held together more by its emotional negations than by its economic advantages. The new situation makes moral those acts that help in the attaining of common ends rather than those that protect from evils. Emotion can wisely check action when the evils to be avoided are relatively simple; it cannot, however, give equally plain criteria for socialized conduct. Adjustive action is therefore determined by the pressure of economic wants. The weaker wants are curbed, the stronger are gratified. This creates new forces in consumption and leads to the acceptance of definite social standards. The family thus passes from an emotional

to an economic basis with the result that budgetary values displace the earlier emotional attitudes. The new morality is volitional instead of mandatory. The standard enforces itself by its advantages, not by its penalties. It is the woman more than the man; the girl more than the mother who feels the force of the limitations to income and thus brings her actions into harmony with the family welfare. Food, housing and clothing are simplified as the joy of doing displaces the pleasure of seeing. An evolution is thus encouraged, which in the end will motorize conduct far more completely than present facts indicate. We have just begun the changes that are to transform women from a sensory to a motor basis. The seeming dissolution of family ties is due to this transition and not to the fact that family life or the relation of the sexes will be less standardized than they were in the past. We can thus recognize a law of progress even if we cannot see its end. Volition will displace coercion, the motor will dominate the sensory, an enthusiasm for social ends will replace the moral restrictions that bind us to the past.

## THE WASTE OF PRIVATE HOUSEKEEPING

BY MRS. CHARLOTTE PERKINS GILMAN,

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The principal waste in our "domestic economy" lies in the fact that it is domestic.

Domestic industry is the earliest form of labor. Its original type is mother-service, to which was soon added wife-service and slave-service, often embodied in the same person. This primitive labor type increased in numbers where more than one slave, or wife, or slave-wife was possessed, and was slightly raised in grade as slave labor became serf labor, and that gradually turned to contract labor in a modified form.

The domestic servant is still expected to take part wage in barter, food and shelter being given instead of the full price in money; to live in the house of the employing family, to show the virtues of the earlier status, humility, loyalty, faithfulness, and, as belonging to that earlier status, no high degree of skill is expected.

Where no servants are employed, which in our country is the case in fifteen families out of sixteen, domestic industry is still at its first stage, mother-service. As such it is not regarded as labor, in any economic sense, but as a sex-function proper to the woman. She is expected to do the work because she is a woman, without any regard to special fitness or experience, this view being frequently expressed in the words "every girl should know how to cook," while no single trade is ever so mentioned as necessary to every boy.

Industrial efficiency grows along lines of specialization, organization and interchange. In the stage of industrial evolution when each man provided for himself by his own unaided exertions we find the maximum of effort with the minimum of product.

Domestic industry is the only survival of that stage in our otherwise highly differentiated economic system. While every woman is expected to follow one trade the grade of efficiency must remain at the lowest possible average.

The servant is but a shade higher in specialization, and this advantage is nullified by two conditions: first, that owing to its status few persons are willing to perform this service except those incompetent for more highly evolved duties; and second, that owing to the natural tendency of women to marry, the grade of domestic service is that of a perpetual apprenticeship.

Neither the labor of the overworked average mother, nor the labor of the perpetual low-grade apprentice, can ever reach high efficiency. This element of waste is inherent in domestic industry and cannot be overcome. No special training can be applied to every girl and produce good results in all; no psychological gymnastics can elevate housework when housework, in economic status, is at the very bottom of industrial evolution.

This is the first element of waste in domestic industry—permanent inefficiency. The second is in the amount of labor required.

While each man, however poor, requires one whole woman to cook for him, we have a condition in which half the people of the world are engaged in house-service.

Today some seven million women in the United States are working at gainful occupations, but several million of these are employed as house-servants, and the general division of labor is that women as a whole, 50 per cent of the world's workers, are in domestic industry.

The waste here is between this proportion and the proportion such work really requires, which is about 10 per cent. For fifty women to spend all their time doing what ten women could do in the same, or even less time, is a waste of 40 per cent of the world's labor.

Estimating the present market value of women's labor at charwoman's wages, \$1.50 a day, and assuming that we have 15,000,000 working housewives, their labor is worth, per year, some \$7,500,000,000. One-fifth of them could do the work at a cost of \$1,500,000,000, making an annual saving of \$6,000,000,000, about \$300 per family. This element of waste has not been considered because we are not accustomed to consider women's work as having any cash value. Our lack of perception does not however alter the economic facts. While wasting, in house-service, 40 per cent of the productive industry of the woman world, we thus lose not only by the low average of capacity here stated, but all the higher potentiality of many women for the more valuable forms of world-service. In this connection no one should be allowed to claim that house-service is in itself noble, high,



supremely valuable, while at the same time willing to leave its performance to the lowest grade of labor in the world.

The third element of waste in domestic industry is in the repetition of plant.

Under this head we will group the building expense involved in attaching a kitchen and laundry to every house (the smaller the house the greater the proportion of space given to this purpose; if but one room it must serve as the workshop), the furnishing of each kitchen with its stove, tubs, boilers, sink, and all the dishes, iron-ware, and utensils appurtenant, and the further supplying of each kitchen with water, light and fuel; also the amounts due for breakage and depreciation.

No definite figures can be given in estimates based on such widely varying conditions as those here considered, but it is shown from ample experience that one properly constituted kitchen can provide food for five hundred people, equal to one hundred families, and with space, fittings and supplies certainly not exceeding those of ten private kitchens.

A waste of 90 per cent is a conservative estimate here. If this seems too great we should hold in mind not only the reduction in original expense, between building one large kitchen and a hundred small ones, between the one outfit and the hundred in boilers, tubs, sinks, ranges, tables, refrigerators, pantrys, cupboards, etc., and not only the difference in the amount of fuel and other supplies needed, but the difference in the bills for breakage and repairs. Ten skilled experts, working under the proper conditions with proper tools, are not so expensive as a hundred clumsy beginners in a hundred necessarily imperfect average kitchens.

Beyond this comes the fourth great element of waste in domestic industry—that involved in the last and least extreme of retail purchasing.

Our economists should establish for us the difference between the "cost" and the "price" of living; what it really costs to raise and deliver our food, and what we are charged for it.

Here again the field of study is too wide, too varying in conditions, for exact tabulation in figures, but the amount wasted may be roughly suggested by the difference between apples by the barrel at \$3, and apples by the quart at 15 cents, or \$12 a barrel—a waste of three-fourths.

In some commodities it is higher than this, in others much lower; but it is more than safe to say that we expend full twice as much as we need to for our food, by our small private purchasing. The poorer the purchaser the higher the price and the lower the value obtained.

We must remember that the high cost of living is not only in what we pay, but in what we buy; we are taxed not merely in the increased price, but in the decreased value. Ten cents a quart for good milk is high price. Ten cents a quart for a medicated, half-cooked, repulsive white fluid that does not sour but reeks instead, is a higher price.

We are striving in many ways, from federal laws to local inspection, to improve the quality of our food supplies, but no one seems to see that the one permanent continuing cause of poor food is the helplessness of the private purchaser.

The working housewife is not only the cook but the purchaser of food. She has little time and less money, and almost no knowledge. She has no machinery for testing the products offered her, no time to search widely, no cash to pay for the better grades. She must buy and buy quickly, close at home—for the baby is heavy to carry or left to uncertain risks.

Even if, by some gross miracle, all these millions of poor women could be taught to know bad food, that would not give them the means to pay for the good.

We have, of course, our Housewives' League, doing excellent work, but remember that the women who keep servants are but one-sixteenth of the whole; fifteen-sixteenths of our families are poor. This condition of ignorance and financial helplessness is what enables the bad food products to be kept on the market.

Now look at the difference in purchasing power when one skilled experienced buyer orders, at wholesale, for hundreds, perhaps thousands, of customers. Such a person would have the special knowledge and wide experience to recognize the best, and the power to demand it. No one condition would more promptly raise the standard of our food supply than this knowledge and power in the purchaser.

It is of no use to urge that "all women should be so trained." You could not make a skilled "tea-taster" of all men, nor a skilled caterer of all women. Specialization is necessary to develop skill. The domestic worker, wife, or servant, is eternally unspecialized.

This study is one of criticism, devoted to pointing out the wastes in our system of living, and to showing that they are inherent in that

system. It is not possible at the same time and in the same space to present a convincing revelation as to how we might live otherwise. This much, however, may be stated: that the specialization of those industries now lumped together as "domestic" will no more injure "the privacy of the home," the "sanctity of the family," than has the specialization of the spinning-wheel. Neither maid nor matron may be now assailed with, "Go spin, you jade, go spin!" They do not spin—yet the home and family endure. This trade was once considered so wholly, so essentially a "feminine function" that we still have the term "spinster" to prove it. Similarly we might call a woman "a cookster" long after she had ceased to cook. But the integrity of the family, the happiness and wholesomeness of home life, are no more dependent on the private cook-stove than they were on the private spinning-wheel.

To conclude our list of wastes we ought to indicate a little of the waste of human life involved in this process, the waste of health, of energy, of the growing power of the world.

While the women waste four-fifths of their labor on this department of work, the men must make up by extra earnings. They are saddled with this extravagant and inefficient low-grade private industry, must pay its expenses and suffer from its deficiencies.

Our general food habits, and standard of health in the alimentary processes, are not such as to justify the dragging anachronism of domestic industry. If the world were kept healthy, happy, and well-fed, we might be willing to do it wastefully, but such is by no means the case.

The professionalization of cooking, cleaning and laundry work should be hailed not only by the economist but by the hygienist, the eugenicist, and the social psychologist as a long upward step in world progress.

For the specific purposes of this paper it is enough to show that of all waste and extravagance in the cost of living none can equal this universal condition in which we waste four-fifths of the world's labor, more than half of our living expenses, and call it "domestic economy."

## SCIENTIFIC MANAGEMENT IN HOME-MAKING

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The recent development of what is known as scientific management in a variety of man's occupations, has roused the American woman to question whether this be not a system equally adaptable to her domain—the building and maintenance of the home. The purpose of this paper is to show that not only are these same principles definitely translatable to her world of activity, but that in the present status of the home the only sure progress toward the solution of the so-called "servant problem," as well as the high cost of living, lies in the ability to apply just this system of scientific management from the survey, the budget, the index and card-catalogue to the required time, motion, cost and temperature in boiling potatoes, making bread or washing a garment.

The Housekeeping Experiment Station of the New Jersey Federation of Women's Clubs was organized to develop a practical plan of facing collectively the situations daily brought to our door by the conflict of capital and labor; a plan that says: Meet the capital problem by organizing the consumer to a better coöperation with the producer and distributor, and eliminate the servant problem by eliminating the servant class. This latter is not so radical as at first appears, for the female house-servant is fast eliminating herself. Her tendency is to go to the factory, shop, office, or any industry where she can count upon a measure of legitimate freedom, regulated hours of work, and her own home for recreation; for she wants that feeling of self-respect which is difficult to obtain in a position where the condition of the work and the workers have been relegated by society itself, to the lowest plane claiming respectability. Apparently women employers have no idea of working for a domestic eight-hour labor day here, and the employee is too constantly held to her post to be able successfully to unionize herself. If, however, the supply of housemaids were not rapidly diminishing and the demand increas-

ing in both number and quality, the possibility of establishing any very different standards during this generation at least might be questioned, but, like the high cost of living, it has become both an individual and national problem, pressing for immediate solution, not only in America, but in other countries of the world.

It is a question for men and women both, in which women must take the initiative, but men provide the means for adoption. With the help of man and his methods, we can point to the establishment even now of a new kind of home operation, higher in value and lower in cost, which will include the domestic engineer, together with the expert or professional worker. The scientific pressure of home subjects makes it imperative to have intelligence at the post. Any high standard in household machinery even is out of the question except among trained and educated workers, and these it is impossible to call upon until society demands them and makes way for them by breaking up a class, unrelated to any high interpretation of our needs, a foreign element in more senses than one, that together with the conditions about the work and our attitude toward it has nearly torn the home asunder, making hopeless dependents of both employer and employee. That there are exceptions we know. There are also many house servants fit to pass almost directly into a professional class; yet the unfit unquestionably predominate. Therefore the thing to be done is to set up a system of domestic independence, or emancipation from this class effect. First, by realizing the subject has a future worthy the highest educational consideration, and giving oneself to it intellectually by scientific study of home economics in relation to one's own home and the home of the social whole. Second, by taking hold of the actual housework and proving as we have under the station's method that it not only can be done without servants in many cases where it now seems impossible, but that, shorn of its abuses, it still has within it every cultural value known. The time has come when it must be raised from its commonplace plane, not by sentiment but by science, and by doing away with drudgery as an accepted necessity, the long hours of labor, and the constant contact with unpleasant and degenerating conditions. These things have already, even in the station's short existence been reduced to a minimum.

We went about it in this way: In order to determine just what were the immediate problems of the housekeeper, thousands of ques-

tionnaires were sent among the New Jersey club women. From these replies we proceeded, after classifying them, to find the solutions. The most general complaint was ill health or lack of strength to accomplish. Next, lack of time to cover demands, and, looming large in the foregrounds, the general lack of means, money for improvements, and the right kind of maids. From these conditions we formed our system of tests and experiments, which have proved conclusively that machinery in the home is more generally satisfactory and economical than hand labor; that the scientific study of management is the way to make machinery pay, and that a serious study of one's surroundings and the way to work, is the health solution. Objectively it became a matter of applying the best known machinery, and through tests in efficiency, economy, time and motion, proving its value in doing the work from both the practical and educational standpoints. Each household operation was reduced to the effect or result desired, and an untiring search made for the best device, tool or material to produce these results—automatic electric being our standard. Many household tools on the market have the merit of utility, but most of them lack two elements, beauty of form and proper effect upon the operator. For instance, an individual laundry machine, good in principle and construction, does the work at the expense of the woman's hand. The handle was not made with the idea of fitting the place of strength in the hand and could not well be more uncomfortable. To know the best method of laundering is essential, but as important is the best and highest welfare of the laundress. Again, in ironing, the comfort of the woman is a serious factor. Why should constant standing be a necessity? And yet, no "sitting" outfit could be found. We were driven to inventing it, to prove our point. Environment is also most important. The beauty and charm of every room have had more attention than the kitchen, where the highest standard of art at present seems to be a place upon which one can turn a hose. Beauty includes cleanliness, but should have in addition a quality of constant refreshment and inspiration. A careful study of this point has been made in our scheme of tone color, because we believe it essential to right living as it is affected by the kitchen.

Food, its value and the manner of cooking have absorbed much of our time, reducing to simplified form the principles of dietetics, which demand the food elements in natural, pure state, and a knowledge

of where these may be purchased. The use of electric power in much of the preparation, we find most practical, even to peeling potatoes and cooking with the wonderful fireless-cooker principle, as applied to modern gas and electric stoves. The latter, clean, automatic, self-starting and self-stopping, eliminate attention while the process is going on, and conserve both quality and quantity. The dining-room we found the hardest problem—to give a dinner without a butler or maid. Again we were driven to inventing our own method, which includes the revolving “table butler,” and a “dumb-butler” standing at the left of the hostess. In this manner a formal meal may be served, the table cleared, and with the aid of a surgeon’s sterilizing pan, even the silver and glass washed. No one need rise, reach or pass from start to finish. A practical electric dish-washing machine has at last been invented however and we are delighted to report is working beautifully, accomplishing standard results in one-fifth the usual time. Before this we have had to suggest the partial use of paper dishes, which may be burned in the incinerator, in order to carry out our plan of actual domestic independence.

All sorts of experiments in methods of house-cleaning with the best tools known, such as floor-waxing machines, metal polishers, etc., have been subjects of tests, to reduce dirt, and the time required to keep clean. Much of such work might be done from outside, but as it is now in the house we have taken conditions as they exist. Of course we believe and encourage as much being done out of the house coöperatively as is safe and will advance the privacy and individuality of the home. Personal, isolated, and eccentric standards do not make for general progress. There is a best way known of doing everything and that should rule; not necessarily the traditional, or that order of “do as I bid you because I bid you;” rather the one of knowing both the material and the best way, that a proper plan may be made accordingly.

The domestic engineer follows close in the wake of domestic independence, and is nearly related—a new profession to which the old idea of housekeeper must give way ere long. Everywhere we are impressed with the importance of the study of economics. Do we realize the origin of this word is the science of household affairs? And that it will never reach its maximum usefulness until it has first put the house in order? Scientific management includes efficiency in production, economy in operation, and as a system is effectively applicable not only to the home with no employee, but

to the individual who cares to apply it to herself. We all believe in the policy of conservation. Scientific management is its only technique. We must therefore master these principles and assemble them in our daily task if we would wisely conserve, to use not abuse, our natural resources.

Now briefly what are these principles? And how may they be applied to home-making, starting with a premise of no employee when the originators of the system declare at least one hundred employees necessary to make a project worthy the efficiency engineer? At the experiment station we have applied the method most successfully, and we believe it fitted to the home in general. Domestic means pertaining to the home and the family. Engineer means the skillful guidance of an enterprise to a desired result, with knowledge of the parts. Efficiency is the elimination of all waste, and the power to produce the effect intended—active, competent power. Science is the best known way, and management means to guide, not force. Surely so far this all applies to the household.

The four fundamental principles underlying scientific management are: First, the scientific way of doing everything. Second, the scientific selection of the workman. Third, the scientific training of the workman. Fourth, the coöperation of both parts, the head taking all responsibility of planning; the workman doing the work in a way that will advance his ability and general prosperity.

Again it stands for a large day's output, the best conditions under which to work, loss in case of failure, and reward in success. It asks at the outset, what of your material and resources? And what do you wish to produce? Not only do we find the home employee less, but also with no tangible or material product to be turned out at the end of each day or each week. To be sure we have the preparation and distribution of food, the washing of garments, or the laundry, and the labor needed in cleaning, sewing, nursing, and serving, but no stated output of commodities. And yet we can readily appreciate there is a scientific way of doing every part of housework, and that we can, as intelligent beings, select that part of ourselves which is adapted to the thing we must do, and be trained to the proper doing, guiding our intellect to find the best way, and our instinct to follow as an intelligent co-worker, using what we call the "What, Why and How System," which very soon will become the whole being.

Art is the creation of what ought to be from what is, and properly steps in at this point asking, What is a home? And what are your



conditions with which to produce such a one? Philosophy says, "Why produce it?" and proceeds to give the necessary thought or reason for the act, while Science tells how it shall be done, so that Art becomes intelligent and skillful in the doing. This is not a difficult operation, but one that should be applied to every act of life, if we would make the most of the individual. Thoughtless action is a waste of one's best power. The haphazard rule of thumb, any-old-way doing of things, is disorganizing in the extreme. And while it may seem a tedious method constantly to ask one's self what, why and how, it becomes a most interesting and constructive automatic habit of procedure, building up step by step not only the home, but the character, and that real kind of personality that counts—that thing that makes "the man a hundred times better than his words" or his acts.

Let us take the woman who wants to improve herself, or her home, for there are only two requirements in the practical application of scientific management to the home: that of having a home, even ever so humble, and the active and intelligent desire to better it; for it is what the home does to the family and the housework to the worker that are important. The home-maker should first ask herself: What is a home? And then how nearly is her ideal being realized? Next she should look to her resources, all the factors that are within her control with which to create that home. Then, with the right attitude and the right sense of proportion, she will be inspired to search for the right way and the right tools with which to proceed, first, analyzing or reducing every part of the home to its units, and building it up again to suit herself and her new ideals.

What the average normal woman wants is not so much leisure, as health, time for all things needed, and a bit of money ahead as a reward of success. Health is a sure return for the right use of the body. How many housekeepers know just the right movements of the body for all action? Even in the simplest household act there are involved three motives in every movement which work to the good, or otherwise, as we will: First, the one of directly accomplishing, eliminating all useless and fatiguing motions; second, the one of exhilaration, or the building up motive—eliminating all misuse of the spine, the diaphragm, and the muscles; and third, the one of beauty, the sense of touch, which makes for grace and quality in movement, eliminating awkward, angular, and coarse motions. So that we find a whole world of interest in just "motion study" as

applied to the necessary acts about the house. In fact, if all one's movements were perfect, it would about include the whole of scientific management; just as to keep even one of the commandments in the highest way would of necessity include the keeping of the other nine. With perfected motion, time would be gained. It is proverbial that the big and busy man is the one never hurried. He has not only learned how to work, but is able to apply his art instinct to the form and proportion of his work, giving each part its due consideration, and if he is a good business man, he will not overdraw upon his capital of nerve power for every day use and abuse any more than he would upon his bank account.

Money ahead is a result of proper production and proper investment which applies just as surely to the home. One should never invest in anything useful or ornamental until it is incorporated in one's needs, and every possession should pay for itself in one way or another. While labor saving devices are not safe in the hands of the average servant, the average mistress has yet much to learn of their true value. Too many worthless devices are purchased by the ignorant home-maker, which result in lowering the standard of all home devices. There are good and bad, and there should not only be judgment used in purchasing, but the housekeeper should know the construction, even to taking the machine apart and studying the principle upon which it operates.

There should be an impartial testing place for house equipment and food where a housekeeper may be properly advised as to values. This has been one of the efforts of the station for the past year, and it has been a satisfaction to find that not only is the best machinery, when really needed, an economic investment, but in every case where conditions are right, it pays a big dividend, a higher interest than would be considered legitimate in stocks. The best electric washing machine, for instance, when needed, will pay a return of 80 per cent of its cost the first year. So with all good labor-saving devices in proportion. The labor to operate them may be more expensive per hour, but one needs less of it.

A centralized corporation, or bureau of labor, should be able to supply the home with all the expert workers needed, by the hour, or day, contracts being made by the head and the employer, and not with each workman as now. This would eliminate the servant in the house and all the expenses attendant upon her, and there are many, and give us a class of independent, self-respecting business

people, both men and women, for housework positions. This is not beyond the possibility of the near future, but in any case the present necessity is to standardize the home through the system of domestic engineering, or scientific management, so that there may be a perfect coöperation of the family in efficiency principles, the "What, Why and How Method," as worked out in the following:

The object, purpose, or "ideal" of the home; "common-sense and judgment" in procedure; "competent counsel," or the finding out of just how to do things; "the fair deal" for everybody concerned; to live and let live in freedom; enough "discipline" to make each want to do his share; "accurate, reliable and immediate records," that proper conclusions may be arrived at; "planning and dispatching," that indecision and that weakness which are the result of nervously planning as you go, be avoided; knowledge of "standard conditions" in all things and "standard operations," but one's own "standards" of practice and "schedules" of procedure which make for originality and individuality in production; the writing down of all things that may become valuable as "instruction;" and finally the very large principle of "Efficiency Reward," or the proper appreciation of all honest effort, and the condemnation of the dishonest.

This system as outlined by Mr. Emerson, we believe, is applicable to all procedure, and could readily be made the family parlance. It practically means the whole of the man in every act; the whole of the family to create and maintain the home, and is by its very nature of elimination a work-simplifying method whereby we may successfully face the serious problem of labor and capital in the home, preserving within its functions the private and individual joys of the home group, and home ideals.

The essentials of a home are few, but they are exceeding fine! Housework should and can—instead of being a drudgery that wears out the woman—be an occupation that will demand her highest conception and highest powers of production, thereby contributing to her highest powers of culture; a self-realization and a self-determined doing that will make for the development of her best personality. In the last analysis there are but two instincts that diverge from the great consciousness, the one home-making; the other, world-conquering; and as the highest object of the second is but to deposit the results at the shrine of the first, what we call home is supreme, and as such does it not demand conservation, and is it not worthy our highest consideration?

## THE COST OF LIVING FOR A WAGE-EARNER'S FAMILY IN NEW YORK CITY

BY MRS. LOUISE B. MORE,

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The problem of living as it confronts the city wage-earner today not only concerns the whole question of wages and labor, but also housing conditions, the rent problem, the cost of food and fuel, his pleasure and recreation, the education of his children, and some provision for the future. The standards of a workingman's neighborhood recognize the wife as the financier of the family group. It is not an unattained ideal, but a regular standard of respectability that a "good husband turns over to his wife all his wages, and receives from her \$1 or \$2 a week for his 'spending money.' " The earnings of the younger children all go to the mother, and the older children pay board to her from \$3 to \$8 per week. She is the manager and dispenser of the household income, and provided that income is of average size and fairly steady, the comfort of the entire family depends upon her character and ability. With no domestic training, the average working girl goes straight from the factory, store or office to start a new home. Sometimes the results are deplorable, but generally though extravagant and wasteful at first, through ignorance, an intelligent and honest woman soon works out a system of household economy that is surprising. In many cases, as we all know, good management goes far toward making adequate an income generally believed insufficient for the necessities of life. A study of expenditures in a wage-earner's family is therefore largely one of the household management of the mother.

A few years ago, while resident at Greenwich House, a social settlement on the lower west side of New York City, I had the opportunity of making an intensive study of the incomes and expenditures in 200 wage-earner's families in that neighborhood. Residence in a settlement gave an unusual opportunity to know personally and often intimately the families who were carefully selected as representative

of different incomes and nationalities. I believe that my assistants and I had the confidence and friendship of all the women who gave us this information. They coöperated intelligently and faithfully in keeping simple household budgets, or in making careful verifiable statements. They were probably somewhat more intelligent than the average of the class in which their economic life is cast, which enabled them to give the investigators a more accurate knowledge of expenditures in wage-earner's families than less intelligent women could have done. This inquiry covered a period of two years and the results were compiled for one year. The incomes from all sources varied from less than \$300 to over \$2,000 a year—both of these extremes are exceptional, but each represents a class. Only 27 had incomes less than \$500 a year (the very poor are not representative of the normal workingman's family); 57 had incomes over \$1,000 a year; the largest number (116), therefore, had incomes between \$500 and \$1,000 a year. The 47 more prosperous families who were able to report any surplus, averaged \$104.37. Almost half the families came out even at the end of the year, and 55 families had a deficit, making three-fourths or 75 per cent who were unable to make any provision for a "rainy day," unless insurance is considered a form of saving. It is in only exceptional cases that it is possible for a city workingman's family, of average size and income, to make much provision for the future—in many cases it seems entirely a question of luck whether there will be a surplus or deficit. The average housewife plans to spend her income each week as carefully as she can, but she is seldom able to prepare for a future season of unemployment or a time of sickness or death. If these crises come, there is likely to be an indebtedness or dependency, or at best she may manage to come out even at the end of the year.

In order to analyze the cost of living for a city wage-earner's family, an income from all sources of \$850 a year may be chosen as a representative one for a normal family of five or six persons. Other investigations as well as my own, have placed this as a fair average for workingmen's families in a city like New York. It is a little above the point where the average family ceases to run in debt. I have no desire to place the income at the lowest point possible for the maintenance of purely physical efficiency, but rather to allow enough margin to enable a self-respecting family to maintain a fair physical and moral standard under city conditions. Whether this income is sufficient for such a standard, I shall endeavor to show.

A careful housewife would plan definitely how to spend this income of \$16.50 per week to the best advantage. On this amount, some families live comfortably, others suffer privations, owing to the regularity of the weekly income, size of the family, and character and amount of the expenditures. In the order of their importance, all expenditures can be grouped under the heads of rent, food, clothing, light and fuel, insurance and sundries.

First of all, rent and food are the two absolutely necessary expenditures. Many women plan to keep the rent equal to the weekly income or about one-fourth of the total expenditures. This is an unformulated economic ideal with them. The very poor in the city must spend as high as 30 or 35 per cent of their income for rent. They move to better rooms as the income increases, while the percentage of expenditures for rent decreases. The average rent for 200 families was \$13.50 a month, 19.4 per cent of the total expenditure. City families move very frequently, either to better themselves, or for lower rents, as rents are constantly increasing. There is no permanent home in a city tenement! In order not to be overcrowded, the evils of which in health and morals are apparent, a normal family of this size and income would consider it necessary to have an apartment of 3 or 4 rooms, for which they would pay, at present rates, from \$12 to \$16 or \$18 a month. A conservative expenditure for rent would be \$14 a month or \$168 a year.

The food for the family must next be provided. The amount estimated by dietitians as necessary for food varies from \$1 a week for each person not an infant, to \$1 a day for families of moderate size. Recent investigators place an expenditure of 22 cents per man per day as absolutely necessary for physical efficiency at city prices. In a family of father, mother and three children under 14 years of age (say 12, 8 and 3), this would require about \$5.70 for a minimum expenditure, according to the United States Bureau of Labor estimates, or \$5.08 if we use Atwater's factors in estimating dietary standards. This implies a scientific care in the selection and preparation of food, which it is unfair to expect from a housewife in a typical industrial family. The most economical expenditure for food requires far more knowledge than is possessed by the average woman anywhere!

Malnutrition is very prevalent in city wage-earner's families, due both to small incomes and to ignorance in buying the proper food.

Often there is enough food, but to us a depressing lack of variety. Yet compared with that of other countries, it is generally agreed that the ordinary diet of the American workingman's family is abundant and varied. Foreigners bring their macaroni, bologna and beer, or potatoes and tea standards to this country, but different conditions of labor and climate soon modify and enlarge this diet, or the family remains under-nourished. A dollar a day was generally regarded by the women themselves as an adequate amount for food for a family of five or six, "if we have all we want."

The wives of city wage-earners are often criticised for buying food and fuel in small amounts; for example: potatoes and vegetables by the quart or half-quart, sugar and flour by the pound, tea and coffee by the quarter-pound, a single carrot, turnip or onion and 1 cent's worth of salt, pepper, vinegar, etc. This "habit" is often a necessity because of limited storage facilities, and of only enough money for each day's needs. Even the poorer housewife knows what good bargains are; she knows she could buy six bars of soap or three cans of tomatoes for 25 cents, butter for 35 cents a pound, sugar 5 cents a pound, or a bushel of potatoes for \$1. But she has to divide her money so closely that she can only buy one bar of soap at 5 cents, one can of tomatoes at 10 cents, a quarter-pound of butter at 9 cents, half-pound of sugar for 3 cents, and one quart of potatoes at 10 cents (\$3.20 a bushel). She has lost heavily on every one of these purchases, and she knows it, but her purse must be stretched each week to cover not only food, but coal and gas, perhaps the rent, the insurance, a pair of shoes or a new coat for one of the children. Truly "the destruction of the poor is their poverty." Many careful managers do buy their groceries for a week on pay-day night, or watch for sales in department stores and buy in quantities. Whether this is possible on an allowance of \$7 a week for food, depends entirely upon the intelligence of the housewife, and the regularity of her income, which may vary greatly from week to week, making such systematic buying impossible.

It is extremely difficult to estimate the amount the average housewife on this income needs to clothe her family. Families of nearly the same size and income spend very different amounts, according to their standards of living, and the skill of the mother. When the mother cannot sew, the cheapest ready-made clothing must be bought, which wears out quickly and is often not worth repairing. This extravagance almost justifies the other alternative—buying better

quality on installment. Many families of this grade have clothes given to them by friends and relatives, or buy secondhand clothing. Making all allowances and itemizing the articles at the prices paid for them, I believe \$100 a year should be the minimum allowance to clothe warmly and decently an average family of five or six in the city. Allowing for some attractiveness and a better grade of clothes, \$120 a year would be necessary to clothe such a family with the standards desirable on an income of \$850.

There is no item in which the economy or extravagance of a city housekeeper shows more quickly than in the expenditure for heat and light. One woman may burn two bushels of coal a day in winter while a careful housewife with the same number of rooms and stoves only burns three or four bushels a week. In most cases, coal like food is bought in small quantities, by the bushel or pail, and for the same reasons. During the two years of my investigation, coal cost \$6 to \$6.50 a ton, or 25 cents a bushel or 10 cents a pail. Gas is burned by the quarter-metre, 25 cents for 250 cubic feet. Wood for kindling and sometimes for fuel is frequently gathered by the children on the streets, and is therefore an irregular expense. The twenty-five families with incomes between \$800 and \$900, averaged \$44.51 a year for light and fuel, so that \$40 is a reasonable allowance for a housewife to have in order to heat and light her three or four small rooms with only one stove.

So far we have only considered the expenditures necessary to maintain a fairly normal, physical standard on an income of \$850 a year. These have been estimated as food, \$364; rent, \$168; clothing, \$100; light and fuel, \$40—total \$672, or almost 80 per cent of the income. This leaves only \$178 to provide for sickness and death in the form of life insurance or membership in benefit societies, and to maintain what may be called the moral or intellectual standard of the family—the so-called culture wants.

Of these expenses, that for life insurance is the largest and the most universal. Only 26 out of my 200 families did not carry insurance, and most of them were very poor or shiftless and improvident. It is usually the industrial or fractional kind frequently called working-men's insurance. The policies are from \$50 to \$300, and 10 cents a week or more is paid for each member of the family. The usual amount paid by an average size family was from \$30 to \$40, the average amount in families who carried insurance being \$37.19. I found



this expenditure as high as \$127 a year with an income of \$1,200. In many families the amount carried is a real burden. "Insurance keeps us poor," I have frequently been told, and yet they will be disposed or go without food or clothing in order to keep up the insurance.

The insurance is almost invariably spent on the funeral, the larger the policy the finer the funeral. Undertakers are often unscrupulous, obtain possession of the policy, and make the cost of the funeral equal to the whole amount of the insurance. Where there is no insurance, the family is plunged into a debt which it takes years to repay. In spite of the burden it is to many and the excessive rate that is paid for this form of insurance, the knowledge that this provision has been made for sickness or death, fosters a pride and a spirit of independence, and a horror of pauperism and burial in the potter's field, that are commendable. Thirty-five dollars would be considered by our wage-earner's family a fair and necessary provision to make for insurance.

There is now only \$143 left for all other expenses, which I have classed in my report as sundries. These expenditures naturally and invariably increase with the income. I will venture to suggest some of the expenditures which a normal family on an income of \$850 would consider essential to their happiness and comfort. I base these estimates on my knowledge of wage-earner's standards, and on the averages for similar families in my investigation and have endeavored to underestimate rather than overestimate them, giving them as suggestions, not as scientifically proved facts.

This typical family would probably buy a penny paper several times a week, or only the Sunday edition, and a few of the more popular magazines—in all not more than \$5 a year for this purpose. For recreation, summer excursions, dances and theatres, they would consider \$20 a moderate allowance; for drink, if they occasionally had a pint of beer for supper, and the man was not a hard drinker, \$20 would be a low estimate; for furniture, kitchen utensils, etc., \$15 would be a fair average; for church dues, \$5; for spending money for the father, \$50 (this would include shaving money, tobacco, car-fares to work, union dues, and drink outside the home); for occasional sickness, \$10 or less, depending how much free dispensaries and hospitals are used; and for miscellaneous expenses such as domestic service in time of sickness, soap and washing materials, writing paper,

stamps, moving expenses, etc., another \$18 would soon be used; total for sundries, \$143. If there was no expenditure for drink in the family outside of the man's spending money, as was the case in more than half of my families, that allowance could most acceptably be applied on more and better clothing and furniture or for the education of the children. It will readily be seen that these estimates may overlap, but on the whole I think it will be admitted that they are barely enough to make life worth living for a normal workingman's family. They do not allow for much "expansion of the soul!"

Our wage-earner's family has spent every cent of its income, nothing has been saved, and no allowance has been made for any exceptional expenses, such as continued illness, nor any provision for a long period of unemployment, nor anything for the education of the children; and an income which does not provide for these things, as well as a moderate standard of comfort and well-being, is not sufficient for a normal wage-earner's family. Thrift or extravagance may modify these expenditures somewhat, in individual cases. We find the characteristic German thrift, Italian economy, Irish lavishness and American extravagance. If we define thrift as saving in order to provide for future ease or emergencies, it is frequently impossible in the average wage-earner's family. With a variable income a systematic housekeeper can never get ahead. She may set aside \$20 to \$100 during the busy season, but it must be used when work is slack and income irregular. There is a limit or danger-line below which this kind of thrift is a menace. It is not the right kind of thrift which crowds six persons in two rooms, or ten persons in three rooms. It is not a wise economy which tends to lower the vitality of any member of the family in order that provision may be made for the future. As Mr. Rowntree says: "There is frequently no margin for thrift, money saved means necessary food foregone."

If however we define thrift as good management, as getting the most for one's money, and as lack of waste, then it is as highly desirable among wage-earners as elsewhere—and thanks to the native intelligence and common-sense of the mother, it is frequently found to make adequate an income otherwise insufficient for the necessities of life. A sympathetic study of the economic and social environment of city wage-earners will find among them an encouraging amount of this kind of thrift.

These facts are only representative, perhaps only indicative of the social economy of wage-earners. It is evident that most families must live from week to week, that the amount of comfort attainable on a given income depends largely upon the ideals and ambitions of the mother, but that even a provident and capable housewife can make very little provision for the future and keep her family in health and comfort, unless her income is of moderate size and fairly steady.

Higher incomes, without a corresponding increase in prices, are desirable, but beyond the question of wages and income, is that of the practical and domestic education of the women in whose hands lies the distribution of the household income. In spite of educational and industrial limitations, thousands of women do manage admirably, but to bring expenditures down to an ideal economy is not within the ability and training of the ordinary wage-earner's wife. If the native intelligence and ambition of the average housewife could be supplemented by systematic and universal instruction in marketing, food values, cooking and sewing, in our public schools and civic centers, the increased efficiency in their homes would be apparent. In education for household efficiency lies one of the most important means of bettering the social and economic condition of our city wage-earners.

## SOME UNCONSIDERED ELEMENTS IN HOUSEHOLD EXPENDITURE

BY MARGARET F. BYINGTON,

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Now that the theorists have effectively laid at rest the ghost of the economic man, there seems to be danger that the cost-of-living statisticians will create a new bogey, that of the economic woman; the woman who, without waste or extravagance, can on 22 cents per man per day for food, and 400 cubic feet of air space per adult, create a real home life and preserve the physical efficiency of her family.

Grasping eagerly at the first signs of a scientific or at least an arithmetical standard of living, we often fail to give due consideration to the personal and psychological elements that influence expenditure. Many factors interfere with the carrying out in life of any such limited definite scheme of living. In attempting to formulate any standard out of the wide variations revealed in individual family budgets, investigators have willingly accepted definite figures such as Professor Chittenden's formulation of the minimum cost of food. Before we become hypnotized by these figures it seems worth while to consider briefly some factors that appear to require modification of the standards so far worked out. To tie up these considerations to the general subject of discussion, what waste must we assume to be inevitable and especially what extravagance must we consider justified in maintaining merely the physical efficiency of the workers?

Take first the current figures as to the cost of food. In Professor Chittenden's study of Professor Chapin's budgets, we have a painstaking effort to formulate a standard based on the cost of food as purchased by housewives in the open market. His statement has been widely quoted that enough food to provide the requisite number of calories and grams of protein for the adult man at average labor can be purchased for 22 cents per day. The varying amount of food needed by people of different ages has been formulated by Professor Atwater; that a woman needs eight-tenths as much food

as a man, a child of twelve, six-tenths, and so on down till we reach the child of two who needs three-tenths as much. If we do this arithmetic we find that this allows 6.6 cents a day to provide adequate nutrition for a child of two.

The dietaries prepared by Dr. Pezek for the New York milk committee require for a child of two a quart and a half of milk and one egg a day besides bread, cereal, fruit, etc. The milk and egg alone would cost at least 15 cents a day, so that 20 cents is probably the minimum on which reasonable diet could be provided. With all the emphasis laid by infant mortality and tuberculosis prevention campaigns on the absolute necessity of providing proper nourishment adequate to build up the child's power of resistance, we have been solemnly allowing it in our budget studies two glasses of milk and a little bread each day. What is the difficulty?

These ratios are doubtless accurate when applied to the number of calories and grams of protein that the individual needs but do not hold good for the *cost of providing* the required amount of nutrition; they fail to take into consideration the relative strength of the digestive apparatus and the power of assimilation of people of different ages and occupations. A child of two will not flourish on pork and beans, cheap and nourishing though they may be; it needs milk—an easily assimilated but expensive form of food. Here economy in the purchase of food would obviously result in decreased physical efficiency. This conclusion seems elementary but so far, I believe, has not been taken into consideration in building up our figures as to the cost of food?

The same query applies to the lessened per cent allowed for women and those in sedentary occupations. May it not be that these less active people if they are to assimilate the necessary amount of food may have to have more delicate, and this is frequently synonymous with more expensive, food?

Professor Chittenden's experiments as to the actual results of living on certain diets have been made under special circumstances. Before we are in a position to be very emphatic about the cost of nutrition, not of food, further experiments might well be made as to the effect of age and occupation on the power to assimilate different grades of food.

It would also be interesting to know exactly the effect on this power of assimilation of having appetizing as well as nourishing food. I am told by medical men that appetite has a distinct effect on the

flow of gastric juices. Could a person keep well permanently on a diet planned solely to secure the greatest food value for the least money? There being no "economic woman," no family will ever be fed that way, but do not our food cost figures, when applied to wages, assume that that is the way the Slavic laborer lives?

These are only queries but they seem to indicate the need of more study before we can gauge what is really extravagance in food expenditure, whether what is reckoned extravagance does not indicate that a housekeeper's common sense provides a more scientific method of feeding than that proposed in laboratory-made diets.

We also need to set a standard as to the degree of wastefulness or of skill in the purchase and preparation of food that we consider normal. Theoretically, a certain amount of money will purchase a certain amount of nourishment. As a matter of fact this depends, of course, on the skill of the housewife, which varies from that of the graduate of a course in domestic science to that of the most ignorant frier of thin steak and buyer of pies and pickles. What grade of domestic skill are we assuming in estimating our family budgets? Two interesting accounts which I have compared in my book on Homestead show the difference in cost per unit of food value between the purchases of a poor colored woman who went out to clean by the day, and those of the daughter of a Pennsylvania farmer whose total family income was much larger. But is it not really illogical to base our standards on what an intelligent woman can buy food for? We know that it is the rare day laborer who has so capable a wife. In calculating the minimum cost of living we must recognize the inevitable ignorance and wastefulness on the part of poor women, at least until our schools give a kind of domestic training that really teaches housekeeping.

Of course, this is an item in the cost of living which can and unquestionably should be reduced. In discussing wages in terms of living conditions, however, must we not use a standard that in a measure applies to conditions as we find them, not to the ideal state? Professor Chittenden in working out his figures eliminated from his calculations this item of waste as incalculable and assumed that the family secured all the nourishment there was in the food purchased.

Another question of growing importance is the inevitable increase in expenditures if the mother goes out to work. When her wages constitute or are included in the family income, what extra allowance should be made to compensate for the waste entailed by her absence,

the greater expense for food bought ready cooked and for ready made clothing? This whole question is an interesting one; the relative sufficiency of a given income when contributed by the father alone and when it is a composite income contributed by several members of the family. In the recent study of the conditions under which children leave school, made by the department of labor, it is judged that if the family have a per capita income of \$1.50 or \$2 a week in addition to rent, there is no economic necessity for having the children leave school. So far as I could discover, no distinction was made between a family of young children with a father earning a good wage and a group of older children supporting the same sized family on the same total income. (Of course, this per capita was calculated from what the children turned in to the common purse and not their whole wages.) The budget studies of cotton mill families, also published by the department of labor, show most clearly however, how a fairly high composite income means in toto often a low standard. The mill-owned houses only have four rooms so the higher income which means more adults in the family often means greater overcrowding. There is a high clothing expense for the daughter who goes out to work as compared with the mother who stays at home to work; in one case \$119 for the daughter as compared with \$1.98 for the mother. Not only in food but far more in rent, clothing, amusements and sundries, the expenditures are markedly influenced by the age of the various members of the family. These extra expenditures for clothing and amusements for the young women, for a larger home where some entertaining of friends becomes possible certainly must be reckoned part of the normal standard.

Finally, I am brought to another point where it seems to me that further investigation is needed. Has anyone the faintest idea what a minimum sane expenditure for sundries would be? Yet, in this item we include all the subtle expenditures that go so far toward making life wholesome; expenditures for schools and newspapers, for church, for amusements. I studied in detail the sundries in a few of my Homestead families and they ran from carfare to candy, from stove blacking to seed for the canary bird. It is, of course, almost impossible to analyze all these detailed expenses and construct from them even an estimate, but we need a far clearer picture than we now have of the way in which such expenditures affect the physical well-being of a family. Their very vagueness has

made all of us, no matter how carefully we have worked out the rest of our standard, stop when we get to sundries and just guess, setting down perhaps a figure that brings our total estimate to a round figure like \$15 a week or \$1,000 a year. It is certainly the best that we can do now; and, yet, around that item cluster some interesting and debatable questions. How much recreation is a physical necessity and how much does it cost to get it? If a day laborer is to vote is not a newspaper a necessary item in his budget? How are the churches which working people attend to be supported? What is the result of lack of physical care in towns that have no dispensaries, where the doctor is a luxury to be consulted only in dire need? Should we agitate against midwives when a laborer's wife cannot afford the regular doctor's fee? How much insurance should be provided for sickness and death? What should be the difference in expenditure for sundries between families living in a city that has free school books, a public library, playgrounds, social centers in the public schools, dispensaries and dental clinics, and one that makes no such provision? In my Homestead accounts, I found that whereas the families with an income of less than \$12 a week spent 50 cents a week for sundries, the families with an income of more than \$20 spent \$4.09 for sundries, more than eight times as much. My personal knowledge of these families made me believe that this increase was wholesome and in the long run tended to create physical well-being and more intelligent citizenship.

As a last point what is the effect of undue economy on all lives, what does the everlasting grind do to the woman's body and to her temper? A woman who had on \$2.25 a day attained a pleasant little home, attractive dresses for her daughters, some flowers in her window, told me little by little the story of what they had cost her of absolute self-denial, of long hours of work, of rigid economy, at the price of a lost temper and broken health. Certainly we must not seek to justify waste and extravagance. But let us make a more critical study of the physiological and psychological effects of certain limitations of expenditure, that we may know which items are necessary to physical efficiency and which can be entirely eliminated from our minimum wage scale. The human body is not a machine to be fed and tended as a machine and we must know the conditions under which it can be kept at a high level of physical efficiency.



## UTILIZATION OF THE FAMILY INCOME

BY MARTHA BENSLEY BRUÈRE,

Co-Author of *Increasing Home Efficiency*, New York.

The spending of the incomes of the middle class is standardizing itself. In the several hundred budgets which Mr. Bruère and I have collected, from all over the United States, we find that people with certain incomes, in certain occupations involuntarily standardize their expenditures. It is not a conscious performance, merely a very evident tendency; and as Mr. Burbank furthers the development of wonderful fruits and vegetables, so we can take hold of this tendency which has just sprouted, so to speak, in our civilization, and train it to the advantage of us all.

Now of course the reason for standardizing the spending of the income is to impose on all homes the financial divisions which have been found to give the greatest product—and the products of the home are of three kinds: happiness; service to the community, usually through the occupation by which we get our living; and children of the right sort. The whole problem is to produce the greatest amount of happiness, and service to the community, and children, with the least expenditure of money and muscle and brains.

Judging from the budgets which we have collected, I do not believe that anywhere in the United States a family of father, mother, and three children, of which not more than one is over fourteen, can be run decently or efficiently for less than \$1,200 a year or its equivalent. When I say "its equivalent" I mean that such things as the vegetables which a farmer raises and uses on his table, the free education given to the children of teachers and professors, the parsonage given the preacher must be counted as equivalent to cash. It is because I do not believe that an average family can live efficiently on less than \$1,200 a year, no matter how wise buyers its members may be, or how small their appetites or modest their demands in clothing, that I shall not consider the utilization of the incomes of families

who are forced to live on less than this. I believe that a minimum wage scale is going to eliminate those unfortunate ones who are not getting enough of what they earn to come up to that sum, and a more thoughtful care of dependents is going to frankly and directly provide for those defectives who cannot earn a living wage. Either that, or we must reorganize industry and business so that people can get what now costs \$1,200 a year, for very much less. It is important before getting down to figures to say that I have not considered what some impossibly capable person educated for the specific work of home-running could do. I have tried not to consider the exception but the average, neither have I used figures from any time but the present or any place but the United States.

I have found that families of five members must spend \$447.15 a year for food, whether they buy it or raise it, that is, it will cost about 35 cents a day to keep an adult man in health. And according to the schedule of the Department of Agriculture an adult woman eats eight-tenths as much as a man, and children of different ages need diminishing per cents down to two-tenths, which will adequately feed a child of two.

Shelter that has adequate plumbing, that has light enough and air enough, and is heated well enough, and which is convenient enough so that neither the effort nor the cost of getting to work and back is high, cannot be had, either in the country or in the city, for less than \$144—\$12 a month. I know that you can get houses in the country for \$2 a month; but what of the plumbing? What of the heating? What of the conveniences? A house that is not sanitary or light or warm, or convenient, costs far more than can be made up by low rent.

Clothes cost a minimum of \$100 a year. That is in New York City where they are cheaper than anywhere else in the United States. I feel that this estimate of \$100 is too low because of the great wisdom and self-denial which it requires; but it can be done and has been done—not beautifully but decently.

The operation of the household which covers light and heat and service, repairs and replenishing, the cost of gas or electricity and running costs generally, gives a possible leeway of expenditure, but I believe that \$150 a year is the least that it will cost. That implies that there is no paid service except the laundering of the man's collars and shirts.

The really important expenditure of the families with \$1,200 a year as of all other families, is the part they put into the things which are not necessary, perhaps, to physical health but which do mean happiness and progress. This item I have called advancement. It covers the cost of education, the amount given to charity, to the church, the cost of vacations and trips, of books, postage stamps, recreation and entertainment, insurance and savings, and also the cost of keeping a child of fourteen in school instead of sending it to work, which in itself costs about \$200 a year. Families with \$1,200 a year spend about \$312 on advancement.

I have found also that the average family cannot keep its accounts very accurately or completely so that there will be from \$46 to \$47 spent for unclassified incidentals.

It is evident from our figures that the middle class family with \$1,200 a year is quite capable of providing itself with the ordinary necessities of life. It can get enough food, because we are slowly learning how to control the production and sale of food through coöperation. It can get enough shelter even when the tenement house departments and the fire protection committees and the enforcement of the building codes force up the cost to the landlords. It can pay for enough clothes, even if every garment worker in New York City strikes often enough, and long enough, and successfully enough, to get a living wage. It can pay for the operation of its household because we are learning through the struggles of New York City and Boston with their gas companies and of Cleveland with its traction system how to put our public service corporations on a minimum wage. But the pinch and the uncertainty come in providing for those less material needs under advancement. This is particularly plain among the group who have only \$112 a year for this purpose, if they keep their children in school after they are fourteen. How much travel and rest and recreation and health and charity and books and insurance and savings will \$112 furnish to five people?

Of course not all the middle class have to live on \$1,200 a year. In fact the average income is nearly twice that—\$2,335. This figure is of course not conclusive, it is averaged from a few hundred family budgets but it does cover every state in the Union and most of the middle class occupations—small landlords and better class mechanics and shop bosses, clerks and railroad conductors, accountants and secretaries, teachers and college professors, clergymen, journalists, physicians, horticulturists and geologists, small capitalists and busi-

ness men. This average middle class family spends \$439.14 a year for food which is a little less than the family on \$1,200 spends. They are not, however, underfed because they have in general only two children instead of three. They spend for shelter \$236.27; for clothes \$272.49; for the operation of the household \$271.10; that is an addition of \$100 to \$200 on the last three items. For incidentals they spend \$88.38 and they average a yearly deficit of \$12.63. The important thing is that they spend on advancement \$1,032.59, of which about \$300 a year goes into insurance and savings.

Now through this \$300 a year the middle class is trying to do an impossible thing—to provide individually for old age. We do not think now for a moment that we can educate our children independently; we do not think that we can protect them against contagious disease, the city or the community at large must do that, but we still labor under the delusion that we can provide for our own old age. I believe this is the most serious financial mistake of the middle class. Does it not cut off \$300 a year from their pleasure and usefulness? Does it not fill the days of their strength with fear? And who gets the benefit of this \$300 a year while they are saving it? Not themselves surely—some insurance company or corporation in which they have invested it. Why should they not get the benefit of their own saving? And it is not as though they were sure to succeed even with all their effort. Have we not now a million and a quarter dependents over sixty-five years of age in the United States who cost \$250,000,000 a year? These old people are pensioned without honor, and yet every one of them who has lived in this country, who has paid for the products of industry, who has ridden on railroads, has contributed to the government. Suppose they had contributed directly their \$300 a year savings, would they not then be sure of incomes in their old age, whether their individual judgment on investments was good or bad?

The middle class does know how to get food and shelter and clothes and light and heat for its money. It has begun to learn how to care for its health, and its education, and some of its amusements, collectively through the state. It is even beginning collectively to fend against accidents through the social insurance of such states as Ohio, New Jersey, Wisconsin and Washington. But it has not yet learned how to use that \$300 a year which each family puts into insurance and savings so that all classes shall enjoy an honorable provision for old age.

## WORK OF THE HOUSEWIVES LEAGUE

BY MRS. JULIAN HEATH,

Founder and President, National Housewives League, New York.

Some two years ago, when we began to feel the high cost of living, we were told it was on account of the tariff and the increased output of gold. It was because the producer did not produce enough and the consumer consumed too much. National, international, state and municipal commissions and committees were formed to consider the causes. These committees and commissions submitted reports and suggested remedies for the alleviation of the consumer, but somehow, the housewife was not considered to be a factor in either producing or controlling conditions. It remained for woman herself to realize that after all, as the spender of the family income, it was she who must make the weekly budget fit the weekly income, and that she was a factor to be considered.

Nine-tenths of the income of our great middle class and three-quarters of those with smaller incomes are spent directly by the woman. The women of this country spend  $90\frac{3}{4}$  per cent of the money. If the American woman has failed at any one point it has been to recognize her economic position as the spender of the family income. Marriage is a contract by which the man becomes the producer and the woman the dispenser. We have demanded that the man be trained to produce but we have not demanded that the woman be trained to spend, and yet it devolves upon her to so spend what the man produces that the family shall be properly fed, clothed, housed and educated to take their place in the world.

An announcement to a wedding usually brings the thought, if not the query, as to the man's ability to properly support the girl he is to wed. Rarely do we raise the question, can the girl properly spend the money the man produces? We may ask, is she a good housekeeper—and good housekeeping may mean anything from the making of a loaf of chocolate cake or a pan of fudge to presiding

graciously over the five o'clock tea table. It does not mean, has she been trained to properly spend what the man produces. Women are at last recognizing this and it was the high cost of living which brought about the recognition. May it not, therefore, be called a blessing in disguise?

The housewife has become class conscious, and with this class consciousness came the demand for organization and there has been a great uprising of women all over the land. The Housewives League has produced a new factor in the economic life, that is, the organized housewife. It is a factor that not only must be but is being reckoned with.

Briefly, what can the organized housewife do?

We have laws on our statute books made for the protection of the home, but these laws are not enforced. Take for instance, the use of false weights and measures, which is a larger factor in the cost of living than one might recognize. It was estimated in the State of Washington last year, that had there been no false weights and measures used in that state the people would have been saved the sum of \$1,000,000. A committee in California estimated that had there been no false weights and measures used in the United States the people would have been saved enough money to run the government.

The practice is universal, not only with the retailer but also with the wholesaler, the manufacturer and those who manufacture the containers. We have inspectors, and no doubt they are doing their duty, but the evil will never be wiped out until every consumer in the land recognizes her responsibility and demands honest weight and honest measure.

Look at our pure food laws. In 1906 and 1907 we were aghast at the conditions of food. We were shown how we were being not slowly but quickly poisoned and we demanded and obtained a pure food law. Is it a fact that at the present time we have no pure foods on the market? Not at all. The Department of Agriculture in a recent report stated that, during the years of 1910 and 1911 more than two hundred ways were found of cheating the public, and added, that the "fakers were exceptionally active." They then gave the long list of adulterants found in seized goods just the same as before, and all this in spite of the pure food law. Who is to blame? Those who purchase these impure foods and no one else. This is purely

a question of supply and demand. If no adulterated foods were bought none would be manufactured.

Look at the unsanitary condition of our food stores! The bakeries, the delicatessens, the grocery stores, the meat markets, in fact wherever food is sold and handled, not only is there the unsanitary condition of the store itself but there is the unsanitary handling of the food. We have laws on our statute books which pertain to the physical condition of these stores, but we have none which would say to the tradesman, you must not let the store cat sleep in the raisin box; or, to the baker, you must not let each customer handle the rolls or have the bread piled promiscuously on counters and floor. We have nothing there but the protest of the consumer and an individual protest means but little. Just as soon as it is known, however, that there is an organized protest, it does count.

The profession of housekeeping has been exploited as has no other profession. Exploited by the use of dishonest weights and measures, by the unsanitary condition of our food stores, by the manufacturers of impure foods and fake textiles, by the unsanitary condition of our commercialized home industries, the bakeries, the laundries, the canneries, and last, but by no means least, by the manipulation of food prices until the American home itself is in danger. Housewives have not realized this before because they have not been class conscious. All that, however, is changing, and the housewives are seeing these things from a different viewpoint, recognizing their individual responsibility and recognizing the power of concerted action.

Now as to prices: How few women heretofore have really known the market value of commodities which they purchase. Their husbands, brothers and sons have been trained for their function as producers and know the value of every commodity they buy that enters into their trade or profession. "They know the market." We go to market and ask, how much is butter? The reply is given 45 cents, to which we say, rather high, is it not? And we are told yes; there has been a shipwreck, a cyclone, an earthquake or something of this sort and the price has advanced.

Last year during the demand which we started for "storage eggs at a storage price," I went to a retail store and saw three crates of eggs marked respectively 30, 40 and 55 cents.

"Those 55 cent eggs," I said, "what are they?" To which the tradesman replied, "Fresh eggs."

"I know, but what kind of fresh eggs?" The reply still came, "Why, fresh eggs, madam."

I then said, "Are they western eggs or state eggs?"

The man began to look a little interested, and I then said, "As a matter of fact, are they not cold-storage eggs?" To which the reply came, "Yes, they are cold-storage eggs, but perfectly good."

I said, "Yes, but you know and I know the best cold-storage eggs should not sell for more than 30 cents."

He then said, "Are you a wholesale dealer, madam?" To which I replied, "No."

"Well you seem to know about it," he said, "and I will let you have them for 30 cents;" and out of the crate of eggs marked 55 cents I purchased a dozen for 30 cents.

"You seem to know," was the secret of the whole thing.

Our campaign of education on the storage egg and its price has been a great eye opener to the women of this land, and never again can the storage egg be sold at a fancy price. The women know that the best cold-storage eggs are about the only eggs obtainable during the winter months, and they will never again be fooled by the so-called "fresh egg" sold at a fancy price.

The women are learning the market and best of all the "market" is recognizing the housewife as a power and moreover as an adjustor. Every day brings letters from producers, wholesalers, retailers asking for our coöperation in affecting the market. Only last week a letter came from the Department of Agriculture saying, "Can you not do something to stimulate the onion market? The onion producers are in despair." I think that was a rather difficult situation. We could ask the housewives to increase the consumption of apples or eggs, but to ask that the housewives place on their tables onions three times a day would be asking a little too much. However, the fact remains we are recognized as a factor in affecting the market.

Every morning the national executive committee of the Housewives League knows the condition of the produce and food market. Every night we receive the confidential market sheets, and it is interesting to know that when the Housewives League has been agitating prices on a certain commodity that we are always quoted. The statement will be made,—the apple market is moving, the



Housewives League is asking for apples at 5 cents a quart, the egg market is active because of the increased consumption due to the agitation of the Housewives League. Once when butter was a little high we suggested that it might be well if the women used the butter substitutes or even their home-made jellies and jams and gravies, and that night the market sheet stated, the "butter market is firm but there has been a sentimental decline of 1 cent." This was most interesting. I did not know what the sentimental part really meant, but I did know that it meant that we had been a factor to be reckoned with that day.

The Housewives League is a movement rather than an organization. It is composed of individual members, group members and affiliated members. We are attempting not to multiply organizations but to get already established organizations to take up the work in their locality. State federations are coming into line. City federations have charge of the Housewives League work in their cities. Neighborhood work is being organized as far as possible because, don't you see, if all of the women in a certain neighborhood were thoroughly organized they could absolutely control conditions in that neighborhood.

After two years of active work I am proud to record the fact that there has never been one word of criticism in regard to the League or any lack of coöperation on the part of tradesmen and those representing industries. You see up to this time everything has been organized; the retailer, the wholesaler, the manufacturer, the producer, but the purchasing power in the hands of each housewife had not been organized and we therefore have come as an adjutor and are heartily welcomed by all. If there is any one thing that the Housewives League stands for it is a square deal for all and this I believe is fully recognized. A square deal for the producer, middleman, manufacturer and consumer.

The dues have been placed at the nominal sum of 10 cents per capita and this 10-cent due carries with it our Housewives League button which has already become a power throughout the land. Our Rhode Island state chairman wrote me the other day that she went into a market that was not fair in dealing with its customers and she heard the remark made: "There comes that confounded button again." Another member almost the same day told me that her tradesman said, he was "proud when anyone came to his

store wearing that button because it placed his store on the high plane where it belonged." You see these are merely different viewpoints.

The Housewives League records members in every state in the Union, and state organization is being effected as rapidly as possible. It is destined to become international. This newly awakened class consciousness of the housewife has changed the entire viewpoint of women toward housekeeping and of the public toward the housewife. Housewives are at last recognizing that they are a great factor in the economic life and have taken their right position.

## THE COST OF LIVING AND HOUSEHOLD MANAGEMENT

BY IDA M. TARBELL,

Associate Editor, *American Magazine*, New York.

Those who study the cost of living among wage earners—the class where it means most—must always be amazed by the different results obtained in different households from an equal wage. Again and again, one finds two families side by side, the men of equal earning capacity, equal steadiness, yet one lives in disorder, badly fed, badly clothed and shiftless, the other is always clean, food abundant and well cooked, clothes tidy and a nest-egg in the savings bank. Study the two cases and you will find, not necessarily, a shiftless and idle woman on the one side and an energetic one on the other. The intention and effort of the two women may be almost equal, but one has never been taught to cook, sew or care for a house, while the other has had a good training in all these things. The difference in results is the difference that comes from knowing and not knowing how to do a thing.

This observation is backed up by all the studies of wage earner's budgets which we have—those of Mrs. More, Mr. Chapin and of the state and federal labor bureaus and commissions. They all note the difference in results between the good and poor manager. The truth is the provider in the household is only one-half of the firm—the other half is the manager. The dollar badly spent is only half-a-dollar.

The rise in the cost of living becomes acute in the wage-earning class, largely in proportion to the kind of management which the wages receive. As a rule the price rises faster than the wage—now this can only be met by management. It is disastrous to try to meet it by sending the mother to work. Her wage can never make up what is lost by careless housekeeping.

There are three points in household management which seem to me to be weak in all classes:

I. The first of these is the matter of selection and substitution. Largely because of ignorance of food values certain articles of diet are considered indispensable whatever their price. The fact that demand keeps up through scarcity makes it possible for the dealer to lift his price still higher. There are few if any articles of food for which substitutes can not be found, but you must not only know them, but you must know how to use them. Rice, dried fruit, salted fish, stews, soups and chowders are a house-wife's weapon against exorbitant prices, caused either by scarcity or by manipulation. One likes his morning egg, but if you refuse to eat it at 50 cents a dozen you have done something to bring the price down to reason, and if enough of us refuse, down it will come. This has been proved again and again this winter in different cities through the activities of the Housekeeper's League. Don't buy the thing which is lifting the cost of your living beyond your limit—select something else. This is meeting the cost of living with brains—this means an unwillingness to succumb to the circumstance of prices.

II. The cost of living is kept up, to a degree at least, by ignorance and careless purchasing—the ease with which the seller can put off on the buyer underweight and adulterations. It is obvious that if we had had in the country a race of careful and intelligent buyers it would never have been possible for the false-weight man or the adulterator to have come to flower. He has been made by us—the buyers. We have been fertile soil for him, nor can the best law and the best inspection ever devised up-root him—it is the educated watchful purchaser alone that can spoil his business. It is a race of women who know when they have full weight and whose civic consciences are developed to the point of protest, when they don't get it, that will put an end to the manufacturing and use of false measures. It is only such women who can end adulteration in food and cloth. Already the pure food law is being evaded by clever tricks; and who is going to find these evasions out promptly if consumers are too stupid to detect them, or detecting, too inert or conscienceless to report them? More intelligent consumers are what are needed to bring down the high cost of living in the household.

The matter of quality in clothing is of all importance in making a small income go far, but quality is one of the things we have lost an interest in—lost our sense of—and this fact helps not a little in

the long run to increase the cost of living. It is the cut and finish we seek. This is what makes it possible for the manufacturers to put over the substitutes for wool, for example, that he does. It looks right and we are too ignorant to know the difference. This submission to poor quality—if the effect is right, brings up the cost of living. What we really need to meet this is a crusade in the household in the interest of quality.

III. The third point at which the average household management aids in increasing the cost of living is its slowness in adapting itself to modern ideas. It insists on buying in small quantities and it insists in remaining a solitary unit. Wholesale and coöperative action is being applied to every industry. It is through this that the cost of production is brought down in many cases though not always as yet primarily perhaps because of over-capitalization, unnecessary overhead charges and general lack of scientific management. But in time, I believe, the cost of every necessity will be lowered by coöperative large-scale production. But if the purchaser remains too indolent to go directly to the source of supply for his goods—if he continues to buy in single pounds instead of by quantity—to act always alone as a purchaser supporting a succession of middlemen—of course his cost of living will remain high. I think it is no exaggeration to say that coal costs the poor, who buy it by the bushel, two and even three times what it does those who can buy it by the ton, but you rarely find a half-dozen families combining in buying a ton of coal and dividing it up. They don't know that it can be done. There is no reason why any group of individuals—the operatives in a factory town, the employees of a great shop—should not combine for purchasing. We have score of groups, societies, clubs, organizations of all kinds and for all purposes, that might use their machinery to instruct and aid their members in the value of coöperative buying though as yet this is being done only sporadically. It should be a principle of all household management, and will be I am convinced from the way women are beginning to tackle the matter.

As I look at it, scientific household management is of basic importance in handling the matter of the high cost of living. Unless the manager of the house, the buyer and user of what comes into it, is trained in purchasing, knows values, has a keen sense that it is her duty as a citizen not to be cheated, respects quality, has learned the possibilities of coöperation, she is not going to be able to meet

her individual problem. The cost of living will always get ahead of her. We may reform the tariff to the point of free trade, harness the trusts, so that they serve the public as well as they do themselves, reform the currency, increase production; but unskilled hands and brains will continue to work confusion in the household budget, the wage will never be equal to the demand, however cheap and abundant we may succeed in making necessities and even luxuries.

Housekeeping is a many sided business calling for training in theory and practice for scientific management. It needs as varied qualities as any business known to human beings and yet as things are now girls and women are getting only the most superficial and artificial training in it. It needs to be formulated and professionalized and every girl rich or poor should be taught at least its principles; at the same time she should be taught its relation to all economic and social problems and in particular to the problem of the cost of living.

## **PART THREE**

### **PUBLIC SERVICES AND CONTROL**





## THE MONETARY SIDE OF THE COST OF LIVING PROBLEM

BY IRVING FISHER, PH.D.,

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Twenty years ago the whole world was complaining of falling prices and the consequent "depression of trade." Now we are complaining of rising prices and the high cost of living. When the period of falling prices was upon us, the nature of the movement came to be widely recognized as largely monetary. There was much talk of "appreciation of gold." In consequence there were many proposed monetary remedies, including bi-metallism, both of the international variety and of the 16 to 1 stripe.

In like manner the rising prices of today are coming to be recognized as a depreciation of gold. Certain it is that, from a purely relative point of view, falling prices mean appreciation of money and rising prices mean depreciation of money, for when prices are less than formerly, a dollar will evidently buy more than formerly, and reversely when, as at present, prices are more than formerly, a dollar will buy less than formerly. It would, however, be begging the question if we should content ourselves with this purely relative statement. The real problem before us is: which should be regarded as in the main the absolute change? At the present time should we say goods have gone up or the dollar has gone down?

It would take us too far afield to attempt to fix an absolute standard of value. The problem is too large for a brief discussion. I have tried to treat of it elsewhere, particularly in *The Purchasing Power of Money*, but it is possible to indicate the lines on which the question can, for all practical purposes be decided. If it can be shown, for instance, that today the good things of this world are becoming scarce on the one hand while money and its substitutes are not becoming plentiful it would be reasonable to conclude that the fault lies with goods and not with money. If, on the contrary, it can be shown that money and its substitutes are becoming plentiful and that goods are not

becoming scarce, it is reasonable to conclude that the fault lies chiefly on the monetary side.

It seems to me that this is the really great issue before us and that it has been largely overlooked by the principal disputants in the case. On the one side there are those who take it for granted that the fault lies with goods and refuse to consider that every price, being expressed in money, has a monetary side as well as a merchandise side. On the other hand, there are many who would lay the blame on gold, begging the question by stating the mere relative fact that the purchasing power of the dollar is diminishing. The only method of deciding on which side the proof lies is by a world wide investigation and it is hoped that the proposed international conference on the high cost of living, a bill for which passed the Senate last spring, may at last materialize through the efforts of President Wilson and the new Congress. Then we may expect sufficient data to be assembled to enable us to decide whether the present condition of rising prices is primarily a monetary or primarily a merchandise proposition.

In the absence of full data no statement can be made which cannot be disputed. My own studies, however, have led me to the tentative conclusion that the fault is primarily with money. Before I give reasons for this conclusion I would like to say that, in my opinion, the chief reason why this conclusion is not more generally recognized is the common illusion that prices of goods pertain only to goods and have nothing to do with money. The money factor is forgotten because money is like the atmosphere, a medium in which our commerce constantly lives and moves and of which therefore it is usually unconscious. To change the simile we are all standing on a money platform and just as the movement of the earth on which we stand was unrecognized for so many generations because it seemed immovable and just as our earth's motion was once ascribed to the rest of the universe, so we are prone to mistake a change in money, in terms of which everything else is expressed, for a change in those other things.

When we say "the prices of goods are determined by supply and demand" we almost always ignore money. We only think of the supply and demand of the goods. But that is only half of the story. Prices of goods are determined by the supply and demand not only of goods, but by the supply and demand of gold in terms of which, through money, all prices are expressed.

Let us prove this fact to ourselves. Suppose the supply of gold

(and substitutes for gold, i.e., credit) to greatly increase, as it has done during the last fifteen years, where will this increased supply of gold show itself? Where can it show itself? Not in the price of gold, for that is arbitrarily fixed by the government at \$18.60 per ounce. No matter how many new gold mines are discovered, no matter how many new methods for obtaining gold are found, the government continues to buy and sell gold at exactly \$18.60 per ounce. This increased supply of gold beats in vain against the price of gold, for that is as certain and as fixed as the proverbial death and taxes. Where then can this increased supply of gold make itself felt? Only in higher prices of goods. The prices of goods are, after all, merely the value of those goods expressed in gold. When an increase in the supply of gold is not allowed to affect the price of gold, because that price is securely tied, it is not altogether foiled but takes its revenge, so to speak, on the prices of other goods. The gold being more plentiful and consequently less really valuable, each dollar will buy less goods and the prices of goods will rise.

If once the money illusion can be overcome, people will be open minded enough to look at the actual evidence and decide whether the rise of prices represents an appreciation of goods or a depreciation of money.

The following evidence is offered in support of the conclusion that the problem before us is primarily a monetary one. It can scarcely be a coincidence that throughout the history of the world prices have risen whenever there has been a great and prolonged increase in production of the precious metals, or that usually when there has been a great falling off in the production of these metals or a great increase in the demand for them, prices have fallen.

One of the most important economic results of the discovery of America was the consequent increase in the precious metals which came from the new world, especially after the opening of the famous mines of Potosi in Bolivia. Its economic importance lay in the steady increase in prices which accompanied it, an increase of several hundred per cent between the discovery of America and the nineteenth century. A lull in the production of the precious metals was accompanied by a fall in prices between 1809 and 1849. After the California discoveries in 1849 and the Australian discoveries in 1851 and 1852 prices again started upward. From 1873 to 1896 occurred a great fall in prices simultaneously with a slackening in the production of gold, the adop-

tion of the gold standard by numerous nations (Germany, the Scandinavian monetary union, the Latin union, the United States, the Netherlands, Austria, India) and a slackening in the growth of banking. Since 1896, the gold from South Africa, from Cripple Creek and other Rocky Mountain mines, from the Klondike, together with increase in money media of all kinds, has been practically coincident with rising prices since that date.

The rise in prices during the last fifteen years has not only been great but general. It applies to almost all commodities and to all countries for which we have figures. If practically all the children in a certain school were stricken simultaneously with typhoid fever, we should quite reasonably suspect that there was some common source from which the germ had come! If the prices of most commodities rise quite simultaneously, we, very reasonably, it seems to me, should attribute this rise to a common factor, rather than to various and isolated causes relating to the commodities separately considered. In other words, on the basis of probabilities, it is reasonable to assume that the present general rise in prices is related to some common fact. Since every price is tied to gold, and the supply of gold has greatly increased during the last fifteen years, we would not then be unreasonable in suspecting, if not convicting that fact of being responsible for the present high prices. No other important common cause has been suggested.

There can be no question that money is becoming abundant. The next question is: Are goods becoming scarce? So far as the facts are available, they point to the opposite conclusion. First, the volume of trade in general in the United States<sup>1</sup> has increased on an average 5.3 per cent per annum since 1896, which is more than the increase in our population ( $1\frac{1}{2}$  per cent per annum), showing that our average per capita trade has increased; and trade is fairly proportional to consumption and production. It is true that a comparison of the census figures for 1899 and 1909 shows a very slight increase (9 per cent) in production of the leading crops in the last ten years which is a very slight *decrease* in the per capita production. But according to the statistics of Nat Murray of the Department of Agriculture, the census years were

<sup>1</sup> See "Will the Present Upward Trend of World Prices Continue?" in the *American Economic Review*, September, 1912.

exceptional years, the year 1899 being an exceptionally plentiful year and 1909 being an exceptionally scarce year.<sup>2</sup>

If we can accept Mr. Murray's figures and compare those figures for 1892 to 1896 inclusive, which are the years of low prices and compare them with the last five year period of high prices, from 1907 to 1912, we find that the per capita production of the ten leading crops has not decreased but has increased 9 per cent, while prices of those crops have increased during this period 58 per cent. Now the tendency of increasing crops would naturally be expected to lower prices, but they have actually risen 58 per cent.

For the world as a whole we find indications that the volume of goods produced and sold has, instead of falling off in the last fifteen years, actually increased at the rate of  $4\frac{1}{2}$  per cent per annum while the population of the countries concerned has increased only about 1 per cent per annum. Again, taking some figures published recently by the *Wall Street Journal* giving the money value of the world's exports and the average of the world's best index number and dividing the former by the latter we obtain a rough index of the world international commerce. This has increased almost every year since 1890 and faster than the increase of population.

The figures for international trade in grain published by the Department of Agriculture show the same results. Finally the International Institute of Agriculture has worked out index numbers of the combined production of a large number of countries of twelve products between 1901 and 1910. They show an increase in all cases but

<sup>2</sup> An opposite opinion is held by Mr. J. L. Coulter (*Quarterly Journal of Economics*, November 1912). Mr. Coulter, however, makes no specific comparisons for other years and makes no use of the estimates of the Department of Agriculture. It is unfortunate that we have nothing better than estimates for intercensal years. In the absence of exact data there is no way of being sure whether Mr. Coulter or Mr. Murray is nearer right. Mr. Murray's results appeal to me because they fit in so well with all the other facts I have been able to gather. If we are justified in refusing to use the estimates of the Department of Agriculture in this connection, this merely accentuates the importance of finding out what are the actual facts in the case. It only makes more imperative the keeping of actual statistics for every year, so that we may know whether production is increasing or decreasing and in that way be able to decide whether the trouble with prices is scarcity of goods or abundance of gold.

two and usually an increase far greater than the increase in population.

These results indicate that we are not facing a progressive dearth of goods but that, on the contrary, we are growing yearly richer.

This result is what we would expect. Science is increasing productivity and crop failures are seldom so widespread as to affect world prices of many crops simultaneously. An individual crop may vary so as to produce an alternate feast or a famine and in isolated markets like those in the Orient the real value of such a crop may be enormously affected. But a world feast or famine even in one crop is an improbable coincidence. When India's crop fails the crop in the Dakotas or Peru or in Argentine is not unlikely to move in the opposite direction. It is still less probable that the rice crop, the corn crop and the oat crop will all simultaneously shrink and when we consider the various articles that enter into our budgets, the idea that there should be a simultaneous and world-wide dearth continuing through a number of years becomes increasingly preposterous—almost as preposterous as to suppose floods to occur in almost all parts of Europe, America, Asia and Africa at one and the same time or as to suppose that most of the buildings insured in one fire insurance company should burn down in the same year.

By emphasizing the monetary factor, I do not wish to deny the importance of many reforms in economizing the energies of man in every direction; for instance, all kinds of labor saving methods, coöperative devices, the reduction of middlemen, encouragement of simplicity in living, the reduction of human disease and disability, etc. These are important at all times, whether prices are rising, falling or standing still.

The last mentioned, the reduction of disease and disability, is a subject in which I am especially interested, and I would be the last to overlook its importance. Disease, however, contrary to the impulsive opinion of some has been on the decrease during the last ten years, and we cannot consequently ascribe to it a place among the factors responsible for the present high cost of living.

If it can be shown then that gold has been relatively stable, but that two or three hundred commodities, the prices of which have been recorded in our index numbers, have simultaneously grown scarce we may lay the blame on goods. On the other hand, if it can be shown as I believe the available evidence indicates that the production of com-

modities, taken in the mass, has changed but slightly and also steadily while the volume of money and its substitutes have been subject to enormous and rapid fluctuations, then the cost of living problem is to a very large extent a monetary problem. In this case we should adapt our remedies to the situation and "let the punishment fit the crime" by trying to stabilize the dollar. In other words if we can make the purchasing power of the dollar stable in terms of commodities, we shall have substituted virtually a multiple standard for a single gold standard, and a multiple standard, as Jevons states, on the mere basis of probability, is far more stable than a standard based on one thing only.

There is not space here to enter into a discussion of the details of the plan which I propose for putting a multiple standard in place of our present gold standard. A report of my address before the American Economic Association is given in the *American Economic Review*, for March, together with answers to certain objections raised to the plan at that meeting. A more complete statement is given in the *Quarterly Journal of Economics* for February.

Of the few hundreds of people who have studied the plan carefully almost all have given it hearty endorsement. If the growing opinion that the rising cost of living is a monetary phenomenon proves correct and if this inflationistic process continues we may hope that the nations of the world may one day consider monetary remedies among the rest.

## MUNICIPAL MARKETS IN THEIR RELATION TO THE COST OF LIVING

By CYRUS C. MILLER,

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When the farmer's crop is grown, his work is only half done, for, quite as important to him as successful production, is successful marketing. He must determine the best time and place and method of selling. Not many years ago farm produce was taken to market by the farmer himself in his own wagons. Often he became salesman and disposed of his goods to his customers, who were sometimes dealers, but more often housewives. Every community depended for the most part for its food on the products of its vicinity.

All this has changed. Large cities no longer can subsist upon suburban supplies. Their food is brought from the four corners of the earth through all the seasons of the year; native products form but a small part of the supplies. The farm wagon is a vanishing view; it has given place to the railroad, steamship and steamboat. Householders in the cities no longer lay in their winter stock in the fall, but must depend on the daily supply brought from other climates and from the cold storage warehouses. Marketing has changed from the simple operation of early days to a most complicated process involving the passing of the goods through the hands oftentimes of the railroad, or other carrier, the receiver, the wholesaler, the jobber, and the retailer. Scientific and consequently economic marketing requires the coördination of all these members in the process of distribution so as to convey the crop from the producer to the consumer with the least delay and consequent spoilage, with the least handling, and the least cost. The main problem in modern marketing is one of efficient *distribution*.

The first move in the process lies with the producer. He must determine what market will be best for his goods, and whether it is better to send them at the time of production or store them until such time as the market may require them. It is obvious that perishable



products, such as berries, peaches and asparagus, must be sold at once, so with them the question is to what market to send them and how to get them there as quickly as possible. Other products semi-perishable by nature, such as butter and eggs, may be kept in cold storage; others, like potatoes and apples, may be kept in cooled storage for future delivery. To avoid gluts in the market is a difficult matter. At present the shipper has comparatively little information on the subject and he must take chances in sending to any market.

The day probably will come when the federal government will issue daily market reports based on the daily reports from the large cities, just as it issues weather reports, stating the quantity of produce in the market and on the way. This will give the shipper some information whereby he can decide where he shall send his crop. The railroad companies have done good work in enlarging the number of shipping points and thus helping producers to get better prices by increasing the demand for their products and at the same time supplying places with crops they could not get without such help. The service which the railroads perform in assisting in the distribution of crops through the country was so well stated in some testimony given by Mr. J. D. Remington of the New York Central Railroad, before the mayor's market commission of New York City recently, that I quote what he said, in part:

I have for a good many years been associated with the perishable fruit and vegetable business of the country for both the Pennsylvania Railroad and the New York Central. I have been engaged more or less in the development of methods in this respect—in going into communities and pointing out to them how they might in all points benefit themselves and their own community by development of crops and diversifying crops that in some sections were neglected; where the Almighty in His wisdom had provided the facilities for rotation of crops and there seemed to have been a missed cog in the wheel in those particular places. I have endeavored to show them how they could drop in some commodity and raise it which would result in making a continuous rotating movement out of that commodity. I have run onto some interesting things in connection with that.

Take Long Island, for instance, with its cauliflower industry. There is a highly satisfactory climate and there is the salt air passing over there that enables them to produce a wonderful cauliflower. But four weeks earlier, in Cape May County, with the salt air from the ocean blowing directly over the same soil, they can produce the same crop. By producing it there, the season is just so much longer. The result is the doubling of produce and the doubling of the season. We did a good bit of that kind of work.

We did a good deal of development work and we used to bring in the seed houses and the men familiar with that part of it. Of course, the railroads, with their increased speed and increased refrigerating facilities have made the seasons very much longer. For instance, there was a time on strawberries when the season for them was only six weeks long. That was all the time that we could get strawberries. Now you start in in February with the Florida strawberries and you have strawberries until the middle of the next July from northern New York. This works two ways—to the advantage of the producer and the consumer and also to the advantage of the transportation company. In July the same cars after refrigeration are taking berries south from northern producing states that in May were taking them from North Carolina north to those same points. The methods used and the increased speed and the entire situation make a very interesting study.

Distribution, the distribution of a crop from any large growing section, is interesting. The word covers a lot and regulates to a certain extent this matter of the cost of high living. The producer naturally must make money; if he doesn't, he won't produce. The railroads are anxious for the grower to make money; the more he makes, the more his growth will be; the greater his growth, the greater the quantity to be shipped; the greater the quantity shipped, the more money there is to the carrier, and naturally, the better the price to the consumer.

The railroads do not get credit for any part they take in the development of the agricultural sections. The average grower or farmer thinks that the railroad company is after his hide and that they will get it wherever they get a chance, and a great many things we do that seem arbitrary to them are really entirely helpful to them. I remember having been the pioneer in the North Carolina Strawberry-growing belt. I went in there a number of years ago and found that 400 cars of strawberries from North Carolina were distributed to only 12 markets. That then was the largest year they had ever had. I happened to be in Wilmington, North Carolina, at a meeting of the directors of the North Carolina Fruit Growers and Truck Growers Association. When asked by them whether I had any suggestions to make to better their condition I told them I did not come up there to run their business but that the thought occurred to me that they did not give their crop a wide enough distribution. I told them that 400 cars to 12 markets was not enough markets. You can glut New York, just as easy as Binghamton, New York, by sending too much fruit there, and when too much fruit goes to any market the prices are bound to go down to a point where money is lost by everybody. I told them to send their goods to more markets and then and there we took up the task of increasing the distribution. Nine years after that, when I left the employ of the Pennsylvania Railroad, remembering when I first met them that they shipped 400 cars to 12 markets, I had the pleasure of knowing that that year they shipped 3200 carloads to 82 different markets. That was a pretty good result and it was entirely due to coöperation on the part of the societies, the railroads, and everybody to make a proper distribution. The result was entirely satisfactory to the growers and to the consumers and to the carrier. Everybody was benefited. But 82 markets were not enough. We had 3500 carloads of peaches out of western

New York this year on our rails. We sent them to 275 markets. That is distribution.

We suggest markets and assist in creating them to the extent of even inducing men to go into the business. Of course, the shipper has his own option as to where they shall go. I remember one place where in a good city in our eastern states they had no commission men. The city was big enough to take a carload of North Carolina berries every other day but there was no one there to handle them. I went to that city. I went to a wholesale grocer and asked him why he could not go into that business. I said, "Here is good money for you, and there is no reason why you cannot pick up a couple of thousand dollars this year right on that." He said, "That is out of our line." I said, "Is it any more out of your line than to handle cold storage products in connection with a butcher business?" He commenced to think. He said, "How can we do that?" I said, "There are several ways; you can buy the goods outright or you can receive them on consignment and sell them for a commission. Your city ought to be on the map and ought to be a receiving point." He got on the map, and that city has taken anywhere from three to five cars a week of North Carolina strawberries every year since that time, thanks to the railroad for suggesting the way to the receiver and to the shipper—but the railroad got no thanks for taking that part in it.

We have more of a problem to solve assisting in the development of the agricultural regions than the average person understands. You have read of our farm trains. They are the educational trains that we run. It was my duty as special agent—I should say, it was my privilege and pleasure as special agent—to be sergeant at arms and conductor of those five farm trains run through agricultural sections. And it was indeed a pleasure to hear the Cornell experts and others explain to the farmers things they did not know and listen to the questions by persons, about what they wanted to know. That was most interesting. It cost us a lot of money, but it was money well invested. It was sowing the seed. We commence now to perceive where benefits are coming from that and the communities are bettered.

If a producer can be assured of a good market he is likely to produce more goods. If he finds he has made money on a ten-acre peach patch this year, he is induced to put in five acres more next year if he thinks it will pay him to do so; but if he lost money on them this year he would not be so apt to increase his acreage. A good steady-priced market, the price being such as to enable the producer to realize a reasonable profit is of course the ideal thing. Nobody expects in these days to get rich on a farm the first year but they do not want to lose money on it.

Farmers who complain that they do not receive fair prices often do not realize that by failing to grade and pack their goods properly they make it necessary for the middlemen in the market to unpack, sort, grade and repack them, all of which costs money and results in delays and spoilage. Customers such as hotel men, fruiterers and retailers look for the particular kinds and grades their trades require.

In order to be sure of buying what they need, they go to a jobber who either buys such supplies already graded by the farmer or buys such as he can in the market, takes it to his warehouse, and sorts, grades and packs it himself. Some of the produce is packed fraudulently as well as ignorantly, which tends to reduce the prices given for the whole supply to the low prices of the inferior goods. The honest farmer suffers for the dishonest one. Because of lack of confidence between buyer and seller the whole trade, both as to quantity bought and prices paid is conducted on a minimum basis. In a recent article in a magazine, the writer told of asking an old fruit-grower the question, "What is the farmer's worst enemy? Is it frost, flood or drought? Is it weeds? Is it animal disease, plant disease or insect pests? Or, as some say, is it the oppressive middleman?" The answer was, "It isn't the codling moth or the clinehbug, the smut or the cutworm, the cattle tick or hog cholera, the untimely frost or withering drought, or even the middleman that costs the farmer—at least my kind of farmer—the heaviest tolls in unrealized rewards. It isn't any kind of bug that can be spotted with a microscope or banished with a sprayer. The worst enemy of the farmers of America is the crooked farmer who puts out his product under false pretenses and thinks that his short-sighted tricks are putting him ahead of the game. He fouls the whole nest for himself and every man in his particular line of production."

Collective or coöperative selling has been found profitable. The orange and lemon growers of California, the apple growers of Oregon, the cauliflower growers of Long Island, and others combine to send their produce to market in carload lots. This enables them by their agents to learn of the best markets and to ship their goods at the best time and in the best manner. The practice of growing the crop best adapted for the locality instead of scattering their efforts to produce many crops teaches them to be specialists in the growing and marketing of that particular crop. Laws such as the Sulzer apple barrel bill and others prescribing the uniform capacity of containers help towards uniform and better prices.

The departments of agriculture of the several states should issue bulletins giving information to the farmers and shippers of the condition of the market and the best methods of packing and shipping their goods. Every such department also should have a bureau of standards and tests in which farmers, shippers and manufacturers of foodstuffs could register and receive a license permitting them to label their

packages with a statement of their quantity, quality and grade of the contents of the package and the registry number and name of the sender. Fraud in such statement should be punished by a fine and subsequent fraud by cancellation of the license. Registered goods would command better prices than goods sold as miscellaneous without registry. All of the methods here enumerated for the farmer tend to better the quality and condition in which the goods come to market and to establish that confidence between buyer and seller which is essential to all good business.

After the producer has done everything possible for good marketing, there comes the question of transportation. Car shortage at periods of greatest need and lack of terminal facilities in the larger cities result in spoilage, delays and consequent loss. The lack of terminal facilities sometimes results in car shortage because of the impossibility of getting cars in and out of the markets. The rates charged by the railroads, steamships and steamboats are reasonable, as a rule. Freight rates do not add much to the cost of food products to the consumer. For example, the average distance grain is carried on railroads in the United States is from 220 to 225 miles, and the average rate of freight is 4 cents per bushel. The rate on wheat from Kansas City to New York, a distance of over 1,000 miles, is about 14.5 cents per bushel, or 65 cents for enough wheat for a barrel of flour. The freight rate therefore, on the wheat or flour forming a loaf of bread would not exceed one-fourth of a cent a loaf. Celery carried in refrigerator cars from Florida to New York would amount to about 65½ cents or from one-eighth to one quarter its retail price.

Freights by water are cheaper. Mr. S. A. Thompson of Washington, sets this forth clearly:

Suppose you had a ton of freight to ship and a dollar to spend in shipping it. How far will the dollar carry the ton? By horse and wagon, a little over 4 miles; by English steam truck, 20 miles; by rail at the average rate for United States railways, 133 miles; at the rate of a group of selected railways, 200 miles; in the Erie Canal, 333 miles; on the European canals, 500 miles; by lake at the average rate through the "Soo Canal" in 1911, 1,500 miles; while at the rate at which coal is carried both on the Great Lakes and on the Ohio and Mississippi Rivers, the ton of freight can be shipped 30 miles for a cent, 300 miles for a dime, 3000 miles for a dollar."

In the whole distributing system the greatest loss is in the cities. The American cities have not given the subject of marketing any

attention. They have left the trade to take care of itself and to rely upon the uncoördinated efforts of the various transit lines which have looked only to the upbuilding of their own particular traffic. The result is a total lack of modern marketing facilities in the big cities. For example, in New York, food products are brought in by rail or steamship or steamboat at various docks along the waterfront or railroad yards extending from the Battery to 42nd Street on the lower west side of the city. They must be trucked through the crowded streets to their places of destination and often handled three or four times before they come into the hands of the retailer. Perishable and semi-perishable products often are taken out of cooled cars and exposed to the sun or cold for hours at a time. Because of lack of storing facilities, the whole daily trade in perishable products must be finished in a few hours so that endless confusion and poor prices for much of the supply result. Many complaints have been made by the shippers that the returns from the sales of the goods have been much less than the actual selling prices, and that sometimes, even when the commission man is honest, his salesmen have reported cash sales for much lower prices than the true prices, and have pocketed the difference. This has a tendency to bring the honest commission man into disrepute, as well as the dishonest, and hurts the whole trade. A law should be passed by the state requiring all commission men to take out licenses at a nominal fee, such as \$10, for the honest conduct of their business. Any fraud should be punished by fine and a second or third offense should result in a loss of the license. This would make for better trade practices and increase the confidence between seller and buyer, especially if coupled with a similar licensing of shippers.

The cities should treat marketing as a very important governmental function and provide the railroads and other transit lines with proper facilities for their business. Wholesale terminal markets should be built on the waterfront if possible, into which all railroads could run their cars without breaking bulk. Such markets should have cold storage rooms into which the contents of refrigerated or cooled cars could be transferred without delay. Broad streets should be made so that trucks would not be delayed in taking away the goods. Auctioneers, licensed by the city should be given the right to sell all goods which the shipper desired sold at auction, so that goods could be consigned directly to the market and sold without intermediate handling. Daily market reports should be issued stating the kinds and quantity

and prices of goods in the market, so that the retailer and the housewife could be informed of the state of the market.

The wholesale market may be termed the primary market. Various forms of retailing or secondary marketing are advocated, such as coöperative stores, chain stores and the like, but it is evident that many of the high prices now charged by the retailer are due to the fact that he cannot buy his goods at reasonable prices. He must charge high prices in order to live. Lack of wholesale marketing facilities and lack of knowledge on the part of the housewife combine to make high prices possible. Gluts in the wholesale markets seldom are known throughout the city, so they result only in waste. High prices in the city mean low prices eventually in the country. They result in under-consumption of food products and consequent hardship to the people in the cities and loss to the farmer because of lack of demand for all he raises. Even if he succeeds in selling part of his crop at good prices, the balance left on his hands often makes the whole crop unprofitable. A steady demand at even low prices makes for better business than alternate high and low prices, as it enables the farmer to calculate upon a uniform business.

*Loss by glut  
or high prices*

Meats are likely to remain high in price for the simple reason that the number of consumers in the United States is increasing, while the number of meat animals is decreasing. In 1910 less corn was grown in the United States than 1900. Of wheat, although the acreage was increased, less than 4 per cent more wheat was produced, and less than 7 per cent more oats. This means that the food for cattle, hogs and poultry, as well as for human beings, increased in cost. The output of corn, oats, barley and cotton in 1910 was less than in 1900. The average yield of corn per acre in 1910 was only 26 bushels. The output of wheat per acre increased somewhat because some poor wheat land was withdrawn from cultivation. During the period from 1900 to 1910 the population increased twenty-one per cent, so we have a decreased production and an increased consumption, with resulting higher prices. This is shown by the fact that while the per capita supply decreased, the prices paid to the farmer increased from 34 per cent in some cases to 83 per cent in others. The rise in meat prices was inevitable, as there were less meat animals in 1912 than in 1900 in the United States. The receipts of the market from March, 1911, to March, 1912, show a decrease of 121,600 cattle, and calves, 300,000 hogs, 225,000 sheep, or a total decrease of 646,600 meat animals, amounting

to a shortage of 200,000,000 pounds. The abolition of the tariff of 25 per cent on the mutton of New Zealand and the beef of Argentina and Brazil may help to lower the prices of meats.

The high prices of meats are the result of forces curtailing the supply, which cannot be evaded, but such forces do not prevail over farm products. The Malthusian theory that population increases faster than the means of subsistence has practical disproof when intensive farming and scientific methods of distribution furnish practically limitless supplies. The shortage of supplies and the high prices of farm products are the result more of lack of distributing facilities than anything else. In short, what is needed to reduce the prices of farm products to the consumer, is the education of the farmer in the selection of his market and the intelligent and honest packing and grading of his goods, and proper wholesale terminal markets in the cities.



## COMMUNAL BENEFITS FROM THE PUBLIC CONTROL OF TERMINAL MARKETS

BY MRS. ELMER BLACK,

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Of all the means whereby our nation can be relieved of the pressure of soaring prices the safest and most effective is the establishment in every American city of a modern municipal market system. By this means alone can public control be secured of the sale and distribution of our food supply. If our people are to obtain the full benefit of economies in food distribution an efficient public market is an absolute necessity. At the same time we must consider the advantages to health and efficiency resulting from the securing of food-stuffs to be relied upon for quality and freshness.

*Consumption Exceeding Production.*—Besides that, the modern municipal market system has the great advantage that it can be conducted without loss to the taxpayers. The cities of Europe have been compelled by circumstances to organize their markets on scientific lines, and so highly do they estimate the advantages that any community of over 20,000 people lacking a municipal market system is regarded as exhibiting lamentable neglect of civic economy. American cities today are developing a like consciousness, for we have arrived at conditions somewhat similar to those that have obtained in Europe for years. That is to say, our consumption is far exceeding our production, and in consequence we are being compelled to exercise greater economies with regard to our necessities.

Hitherto the United States has occupied a position of unique advantage. We have had such abundant resources that, after taking care of our wants, we have been able to supply the markets of the Old World with enormous quantities of foodstuffs. This abundance has relieved us of the necessity for economical distribution in the home territory. Within the last ten years there has been a remarkable change in conditions. Our cultivated land has increased thirty per-

cent while the consumption has increased sixty percent. Three million more men are earning enough to enable them to buy meat, but there has been a heavy decrease of meat producing cattle on American farms.

Municipalities are therefore confronted with the duty of meeting these changed conditions. The most effective means of solving the problem lies in the organization of publicly controlled markets that will afford economical facilities for distribution.

*A Model Market.*—Let me present a brief description of the latest type of a municipal market, designed to secure the best results. Its location must be convenient, with direct railroad, and if possible, steamship facilities. For this purpose the receiving station should be equipped with railroad tracks on both sides to facilitate rapid receiving and clearances. In that receiving station the inspection, checking and sorting of the deliveries take place. All consignments must be inspected by the city officials, whether they are for delivery in the market itself, or sold in carload lots for despatch elsewhere, or are sold at the receiving station for immediate local delivery. Here, therefore we have the first point of public control—that is—the control of quality.

Alongside this receiving station should be a number of commodious, airy market halls, each devoted to a separate section of produce, and each equipped with a refrigerated cellar connected by hoist with the space above. The whole structure should be of iron-concrete, with water equipment so arranged as to enable a thorough flushing of the premises. The stands and cellars should be rented to dealers, or the direct representatives of the growers, for the sale of produce at wholesale and retail. One section should be set aside for sales by public auction, conducted by bonded officials at a fixed 4 per cent charge on all transactions. This auction section affords the second means of public control to the municipality—the control of prices.

Directly a shipment for the market has been inspected in the receiving station it should be delivered, by means of hoists and underground roads, to the cellar of the marketman to whom it is consigned, who will thereafter draw upon it as required. Finally one side of the exterior of the market should be devoted to despatching produce after sales have taken place.

*Effective Public Control.*—Such a market enables a municipality to exercise effective public control not merely over the quality of the

food accepted but also the market price of the produce and the wholesomeness of the commodities despatched from the market halls.

The responsibility for the enforcement of the regulations will rest with a market master under the supervision of a special committee representing the city authorities. He must possess tact, executive capacity and strong character, for on him the success of the market will largely depend. He will see not merely to the collection of revenue from the standholders, but to the cleanliness, order and maintenance of the buildings. His policy must show neither fear nor favor. If a standholder violates a rule the market master should be able to inflict a fine, subject to the approval of the market committee. Further, in any case where there is evidence against a standholder of joining or attempting to join a combine, the market master should be empowered to cancel his tenancy and deprive him of further market privileges.

*The Economies.*—The economies to be considered are these. By delivering the supplies on the freight cars direct into the market, thus eliminating the trucking from the terminals to the market, there is a resulting economy of from \$10 to \$20 on every freight carload. That is an economy affecting the consumer, for all the trucking is added to the bill by the intermediaries who handle supplies between the farm and the urban home.

The committee on markets of the New York State Food Investigating Commission has reported that "The total addition to the cost by distribution in New York is at least 40 per cent." This is made up of the cost and profit of wholesalers, estimated at 10 per cent on the cost at the terminals, and the cost and profit of the retailers and jobbers, which averages  $33\frac{1}{3}$  per cent on the prices paid by them. The heaviest item of this cost is trucking. By eliminating the trucking, therefore, between the terminals and the markets, the consumer must benefit because the retailer will pay less, and in order to secure trade he will pass on the advantage to his customers.

By establishing, in connection with the central terminal market, a chain of subsidiary district markets, a still further advantage will accrue, for consumers will be encouraged to revive the habit of "going to market," thereby releasing themselves from reliance on the local store.

*Waste and Deterioration.*—These considerations, however, do not exhaust the economies resulting from the elimination of trucking.

110%

160

Economy in handling

10%

Subsidiary markets

to in  
if r handling
 To the unnecessary cost of haulage have to be added the waste and deterioration incidental to dilatory methods of transportation. Four-fifths of the condemned food in American cities every year consists of vegetables and fruit. The cause of the condemnation is exposure to the atmosphere en route to the market, or subsequent to delivery. The second great economy is here practised through the public control of the municipal market, all perishable produce being delivered to the cool, clean cellars under the market hall without unnecessary delay or multiplicity of handling. It is largely owing to the risk of this loss that farmers offer apples in country orchards at 75 cents a barrel, while consumers in the cities are paying \$2 a bushel for the same barrel of apples. It is because of this, again, that quantities of cabbages, and green vegetables generally, are withheld from the market, to the great detriment of the poor citizens, who are deprived of them. Municipal markets, with quick deliveries and hygienic methods of handling, and large opportunities for a ready sale, will encourage growers to send cheap produce to the markets.

*The Elimination of the Middleman.*—The next great economy that reflects itself in the retail price of commodities is brought about by the elimination of the unnecessary middleman. The publicly controlled market will offer the producers three alternatives. They will be able to coöperate to rent stands, to ship direct to an approved wholesaler, or to the public auction.

With this ready market, controlled by the city, and the risk of complete loss avoided, the producer will not hesitate to ship without the intervention of superfluous intermediaries.

Nor will coöperative selling alone be encouraged. Consumers will find in the auction section facilities for coöperative buying at the lowest possible prices. In any case, therefore the establishment of a publicly controlled market will do away with the multiplicity of intermediaries that now exist.

*Business Economies.*—The fourth important economy affecting the price to the consumer is brought about by the improved and economical conditions under which the marketman is able to conduct his business. Through the scientific management of a municipal market, he effects economies in rent, help, ice and incidental charges, besides having better accomodation for trade and storage.

*Scientific Requirements.*—I cannot leave the question of benefit and economies without calling your attention to the advantages that

must accrue by reason of the scientific requirements of the municipal health inspectors who will test the produce as it enters the market.

Need I say that quality, grading, weight and packing must and will receive most careful attention from the producer or shipper in order that his produce will meet and pass the rigid requirements of the representatives of the public examining authorities?

*Health Considerations.*—Health considerations are also involved. Only by the strict public control of markets can we ensure wholesome food. Fifteen millions of our twenty millions of American school children have been declared by the doctors to be defective, a condition mainly traceable to malnutrition resulting from food-stuffs that have lost much of their body-building values. This loss of quality is due to the delay in handling produce between the grower and consumer, which delay the municipal market would correct. Surely this argument is as important as any of the financial arguments, involving as it does the very efficiency of our people.

*Cost and Economy.*—I recall that President Wilson in his inaugural address, said: "We have studied, as perhaps no other nation has, the most effective means of production, but we have not studied cost or economy."

It is gratifying to hear, from the chief executive of the nation, that clarion call to thrift and conservation. Publicly controlled markets, as I have outlined them, will contribute powerfully to the achievement of these high ideals. I commend these arguments, therefore, to your careful consideration, convinced that in the operation of municipal markets American municipalities will find an effective means of insuring the health, contentment and efficiency of all our people.

## RELATION OF COLD STORAGE TO THE FOOD SUPPLY AND THE CONSUMER

BY M. E. PENNINGTON, PH.D.,

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The great industrial revolution that has swept the nation has placed the consumer in a new position. He is now uncommonly ignorant of many things that were formerly commonplace. The clothes on his back used to come from his own sheep, and were spun, woven and made up by the women of the household. Each housewife knew the whole history of most of the articles that were used by the members of her family. Now, the great woolen industries are so complex that the men who lead them can be expert only in certain branches. With the complexity and the division of labor that have arisen in manufactures have come a like differentiation and series of problems in the production, distribution and equalizing of the food supply. The nearby farms can no longer supply the contiguous city with the foodstuffs which it demands. Indeed, in many instances, the farmer himself purchases supplies to supplement his own productions, or to give his family the delicacies that are out of season or furnished by a different environment.

The revolution in the conditions influencing the food supply of the nation is as widespread, as deep and far more important than the revolution in the manufacturing industries. To live, the nation must eat, and to be strong, virile and progressive the food must be wholesome and plentiful. The food supply is the most fundamental question that the modern world has to face, yet it is a subject on which the average well informed person is lamentably ignorant. This is very largely due to a clinging to the old ideas concerning quality that prevailed when the nearby farm was the source of supply and when "freshness" was measured by the number of hours that elapsed between the gathering of the produce and its delivery to the consumer. The fewer the hours, then, the better the goods, because the farmer

had no facilities for preventing decay, nor did he know how to handle his wares so as to lengthen their keeping time.

Because the consumer has insisted that he must have produce "right fresh from the country," the vendor has imposed upon his ignorance by pretending to give it to him. In reality the vendor cannot obtain such goods as his customer demands, hence the falsehoods that are a part of the stock in trade of every retailer.

The consumer is justified in rebelling against the falsehoods; and the produce-man can just as strongly insist that the consumer shall inform himself about the conditions governing the food supply, especially in the great cities, and not make almost every sale contingent upon an untruth. The conditions which the consumer, because of lack of knowledge, imposes upon the vendor are very largely responsible for the almost universal ignorance that prevails today concerning the preservation of perishable products by low temperatures, and which is commonly called "cold storage." It may be well, therefore, for those interested in the complex problems of the present day, to find out just what relation cold storage bears to modern life; what is its effect on food products from the viewpoint of wholesomeness and palatability; to what extent has it developed and what caused this great industry to spring up within the last twenty-five years.

Before these questions are discussed, however, it may be well to state specifically what a modern cold storage warehouse is. Many people infer that ice is used as a refrigerant. Ice is never used. Its refrigerating power is far too low, and the basic requirements of a modern refrigerated warehouse are incompatible with the use of ice. Refrigeration is produced by mechanical means and distributed by pipes carrying a calcium chloride brine, or liquid ammonia, in which the temperature may be  $-20^{\circ}$  F. The cold from these pipes diffuses into the rooms to be chilled, and the temperature desired is obtained by a more or less rapid flow of the cold liquid in the pipes. The air of the rooms is necessarily dry, since the low temperatures condense the moisture of the air into snow. The temperatures usually maintained range from about  $40^{\circ}$  F. in the case of some vegetables, to  $-10^{\circ}$  F. which is used for butter, and sometimes fish. Eggs are carried at  $29^{\circ}$  F. to  $31^{\circ}$  F. (an egg freezes at about  $28^{\circ}$  F.) and poultry and meat at approximately  $10^{\circ}$  F.

The more recently built warehouses are of concrete construction with cork or mineral wool insulation. The old type of warehouse was

of brick, wood lined, and insulated with shavings, sawdust, paper, etc. These old houses are not economical and it is a difficult matter, comparatively, to keep the air in them sweet and fresh. They are rapidly being replaced by houses of the concrete type. Current opinion holds that cold storage warehouses are dirty, insanitary places. The fact of the case is that they are, almost without exception, far cleaner than the butcher's ice-cooled box, and infinitely ahead of the house refrigerator, as commonly kept by the present day servant. The usual newspaper description of the cold store is not based on observation but on the imagination of the reporter in response to the demand for sensational headlines.

The question of wholesomeness is, of course, the most important, and the phase of the subject that has received the greatest amount of study. Fortunately for the public health the majority of these researches have been made by chemists and bacteriologists in the quiet unconcern of their laboratories; unfortunately for the education of the public the results have been published only in the scientific journals; or, in abstract, in the trade publications of the industries involved.

Many foodstuffs protected from decay by low temperature are such stable articles that one does not question their fitness for consumption after months of such preservation. For example, cereals and nuts are cold stored to guard against weevil and other vermin. Again, many commodities, especially of the hardy vegetable or fruit types, are preserved in the farm cellars, or pits, for months. We are, therefore, accustomed to having potatoes, celery, cabbage and apples out of their seasons and accept their presence in the accurately regulated public chill room as a proper provision to insure good condition to the consumer and an equalized supply.

Meats, fish, poultry, butter and eggs, on the other hand, the consumer knows only as extremely perishable products, unfit for consumption in a very short time after reaching his hands. From the scant knowledge which he possesses of the handling of perishables he has not imagined the care and cleanliness with which foodstuffs are prepared to avoid bacterial invasion; nor the low temperature that is continuously maintained to reduce chemical changes to a minimum and practically suspend bacterial life. If perishable products are properly prepared for cold storage, and properly carried in storage, they will be wholesome and palatable until the following season furnishes a new supply. The most important thing is to get the foodstuffs to the warehouse before decay has begun. That is



the goal toward which the whole industry is working. The careful investigations of the laboratory, supplemented by the application in the field of the fundamental principles governing decomposition, have shown the great economic value of good handling accompanied by refrigeration. The optimum holding temperature, too, must be determined for each class of commodities, and has already been fixed for many classes.

The influence of temperature alone, as a factor governing decay, may be shown by the rate of decomposition in dressed poultry.<sup>1</sup> Chemical and bacteriological analyses of chickens kept for two days at 65° F. to 75° F. showed that putridity had set in, and that they were absolutely unfit for food. Similar chickens kept for 5.5 days at the temperature of a house ice-box, that is, 50° F. to 55° F., were edible, but a little stale. Their fellows, kept 15 days at a temperature of 32° F., were at their optimum for food purposes, and, chemically speaking, had altered in composition far less than the birds in the ice-box. Even after 22.5 days at 32° F. the chemical changes were still less than in the birds kept in the house refrigerator. The chickens were also frozen hard and analyzed at the end of 4, 8, 12 and 16 months, respectively. At the end of 4 months there was practically no change in the chemical composition. At the end of 8 months there was just enough change to be detectable by laboratory methods. There was no change to be detected in the flavor of the flesh. After 12 months hard frozen the chemical changes, as measured by the laboratory, are still a little behind those of the house ice-box after 5.5 days. The flavor is still good but the flavor of the 8 or 9 months bird is better. At the end of the 16 months chemical and organoleptic changes can be observed and while the birds are not putrid, nor can we say positively that they are unwholesome, they have lost some of their palatability and they are not high class foodstuffs. They are by no means, however, as low grade as the chickens kept 2 days between 65° F. and 75° F.

The question of temperature in the handling of eggs is quite as important. Incubation proceeds above 68° F. in the fertile eggs, but more slowly than at the normal temperature of the nest. One day at 103° F. produces the same result as 7 or 8 days at 86° F. to 91° F.,<sup>2</sup>

<sup>1</sup>Hearings, Committee on Manufactures, U. S. Senate, 62d Congress, *Foods Held in Cold Storage*.

<sup>2</sup>Edwards, "The Physiological Zero and the Index of Development for the Eggs of the Domestic Fowl," in *American Journal of Physiology*, vol. vi, 331-396.

and 24 hours at 107° F. gives a chick equal in development to one incubated for 3 days at 103° F. The same principle holds good for the deteriorative changes which are not accompanied by incubation, but because we cannot carry an egg in the shell hard frozen we cannot retard the downward changes as effectively as in poultry, butter or fish.

There is no egg so good as the perfectly fresh egg. But the city consumer can but seldom get the perfectly fresh egg; and because practically the whole egg output of the year is concentrated into a few months, the consumer of eggs in city or country must, for a part of the year, eat conserved eggs or none at all.

So far as our knowledge goes now a fresh egg, held at temperatures between 29° F. and 31° F., will be an edible, wholesome egg at the end of 9 months. It is not advisable to try to soft-boil or poach an egg which has been more than six months in storage. For all other purposes such eggs are above reproach.

What has been said for poultry and eggs applies to other meats, butter and fish. The articles must be in the pink of condition when they go into the freezer or the chill room; they will then come out in good condition. Cold storage cannot improve foods, except, perhaps, cheese. It can keep good foods good from the season of flush production until the season of scarcity, and that is all any sensible person will ask of it.

There is a firm, if unfounded, belief on the part of the general public that all the undesirable foods on the market come out of the storage warehouses, and that their condition is directly due to storage. A bad egg is blamed on cold storage during the months of April and May, when a storage egg is as rare a phenomenon as snow in the tropics, with the same positiveness that it is in November when there are practically only storage eggs to be had. The truth of the matter is that comparatively little of the foodstuff in storage is condemned as unfit for food, while enormous quantities of so-called "fresh" produce is confiscated and destroyed by the health authorities. Some recent figures may serve to emphasize this point.

During the year 1911 the city of New York condemned in its markets 72,785 pounds of eggs; 350,547 pounds of fish and about 200,000 pounds of poultry. During the months of October to December, inclusive, the inspectors of the State of Massachusetts examined the goods in all the public warehouses of the state, returning a report of

the condition and the quantity of foods stored. On the first day of January, 1913, there were over 43,000,000 pounds of perishable products in storage in Massachusetts, excluding fruit and vegetables. There were, in this total, over 9,800,000 pounds of eggs; 6,169,790 pounds of poultry; 5,211,943 pounds of fish.

The inspectors found it necessary to condemn and destroy a total of about 300 pounds of foods. That is, approximately 138 pounds of poultry, 119 $\frac{1}{4}$  pounds of fish and one box of pork-loins. The total quantities stored in New York or condemned in Massachusetts are not available, and, therefore, the foregoing figures cannot be compared directly. They do serve, however, as significant indices of the conditions actually prevailing. All the investigations on this subject would tend to show that we are more apt to find that decayed foods are due to bad handling between the producer and the consumer than to cold storage.

It is a difficult matter to estimate the extent of the cold storage industry. The best figures obtainable indicate that there are between 700 and 800 public cold storage warehouses in this country, aggregating approximately 200,000,000 cubic feet of space. About 1,320,000 carloads of perishable products pass through the warehouses in the course of a year, valued at approximately \$600,000,000. These figures do not include the fresh meat which is refrigerated in the packing houses and public markets, and which amounts to 16,000,000 pounds yearly. We have no figures concerning either the space or the products stored in private houses, of which there are probably 2,000. Such figures indicate a great industry and when one remembers that it has developed within the last twenty-five years, its magnitude becomes even more interesting. Such an outlay of effort and capital could only arise in response to a necessity. What is the necessity?

To reply to this question we must consider more fully the state of things hinted at in the opening paragraphs of this paper, namely, the ever increasing distance between the producer and the consumer and the ever increasing scarcity in the food supply because of the rapid increase in urban population, the decrease in new public lands and various other factors. Seasonal products, too, are now in demand the year around, a demand that can be complied with only by conserving the extra production of the flush period.

The productive land in the immediate vicinity of our large cities

is steadily decreasing and will continue to decrease so long as the present tendencies of urban life continue. We can no longer depend upon such territory for food supplies. The middle Atlantic and New England states are fed from the valleys of the Missouri, the Mississippi and the Ohio. The Pacific states, also, draw upon this territory for meat, poultry and eggs. It has been estimated that only 1 per cent of the eggs coming into the cities of Philadelphia, New York and Boston are produced nearby; and 99 per cent come from the western corn belt and Tennessee and Kentucky. It has also been estimated that all the food supply coming to New York City averages a four-day haul by fast freight—that is, about 1,000 miles. For this reason our country has evolved a system of refrigerated carriers to transport, and a system of refrigerated warehouses to preserve, foodstuffs. These are quite as remarkable as the arrangements by which Great Britain imports food for her people and just as necessary.

The great gateways from the west to the east, such as Chicago, St. Louis, Omaha and Buffalo, must be able to receive and conserve the tons upon tons of perishable products that are sent to them during the producing season. The markets would be so glutted, if all the perishable foods that are produced had to be consumed during the season of production, that production itself would be seriously curtailed. On the other hand, the whole nation would be on scant rations during the non-productive season, and prices would soar to dizzy heights. Even if our people could obtain a sufficient amount of food it would be so restricted in variety, so very different from the ample choice now offered in every market, that the consumer would consider himself abused indeed. Only the households of the very wealthy could afford eggs from November to March. Nearly all our butter is made between May and September. The catch of fish from December until March is not worth considering by comparison with the consumption of fish. Beef cattle are marketed throughout the year yet the autumn slaughterings, when grass ends and grain feeding is not advisable, may increase 33 per cent. The supply of fresh beef at that time is too heavy but is needed before grass comes again. Broiling chickens would be in our markets from mid-July to October; roasting chickens from October to January. Outside the months mentioned these commodities are not produced in market quantities. Remember that the little nearby poultry man, or truck farmer, who has one or two early hatches, or a little incubator, and who can give

you, in May or June, squab broilers at one dollar a pair, has no more effect on the food supplies of this nation than has the tiny, never failing spring on the great water supply of the city. But the people have become accustomed to broiling and roasting chickens, eggs, sweet butter, salmon and halibut from the north Pacific, red snapper from the Gulf of Mexico, and other such seasonal or far distant products, and they expect the market to furnish them on demand. This it is doing and has done because of this wonderful system of food transportation and conservation. There is no other way, with our present knowledge of production and conservation, that it can be done.

The statements of the press concerning the length of time that foods are kept in storage are disquieting. An investigation of this question has been made by the Bureau of Statistics, United States Department of Agriculture.<sup>3</sup> According to the statement of the statistician, the average storage time for beef is 2.3 months; for fresh mutton, 4.4 months; butter, 4.4 months; poultry, 2.4 months; eggs, 5.9 months; fish, 6.7 months. The quantities kept for more than the 12-month period are negligible and the cause is generally lawsuits or business difficulties involving the owners.

The laboratory tells us that the conserving power of cold is very great. Inspection of the warehouses shows that the sanitation and construction are adapted to the work to be done. In other words, our present system of cold storage is efficient and economic. Yet we find produce rotting on every hand; millions of dollars worth of foodstuffs spoil between the producer and the consumer. The producer is poor and the consumer is both hungry and poor. Foods coming out of storage in prime condition lose freshness and quality by the time the consumer gets them. Why?

The answers to these questions are being sought by a great corps of agriculturists, scientists, economists and financiers. When they are found, and all the remedies applied, there will be no need of such papers as this. Since the questions are under discussion everywhere, let us look briefly at one or two of the fundamental conditions now prevailing between the consumer and cold storage.

The consumer frequently pays exorbitant prices because he demands fresh products when they cannot be obtained in market amounts. On the score of scarcity the dealer quotes a price consider-

<sup>3</sup>Geo. K. Holmes, "Cold Storage Business Features," in *Bureau of Statistics Bulletin*, 93, U. S. Department of Agriculture.

ably higher than is warranted by the cost of the preserved article, but less than the cost of the fresh article that might be procured from some special producer by special means. The consumer does not know where, when or how the foodstuff was grown and handled for market. He is the dupe of conditions that have passed by and of ideas that would be found unsatisfactory if they were complied with. He has a right to know what he is getting and paying for. The information is all about him in books, pamphlets, lectures and the diverse ways of disseminating knowledge. However, he seems, in this vitally important matter of the food supply, to be content to get his knowledge from the retailers, which—while human nature is human nature—will seldom be a reliable source.

If the consumer will find out what the market can furnish from nearby sources; what goods must be hauled a thousand miles or more; what products are in season and can be obtained fresh and what must be supplied from storage, he will find that the retailer's statements to him will assume quite a different tone, and the prices quoted will bear a closer relation to just profits. The consumer will also find that, by and large, the perishable products shipped in car lots from the western producing regions are in better condition than those produced a hundred miles or so away and handled in the careless fashion of the usual eastern farmer. He will, therefore, lose his preference for nearby supplies. He will find that the hard frozen fish, chicken, butter or other stored article, if taken to his household just as it comes out of the warehouse, will be in good condition, whereas if the retailer is allowed to thaw it out, or otherwise obliterate the signs of storage and permits it to lie around his store while waiting for a customer, it is sure to have lost its high quality and may be exceedingly undesirable. Primarily, then, much of the blame for the present condition of food commodities and prices rests with the consumer. One remedy is the acquisition of knowledge and its application to the everyday retail buying. Generally, the consumer endeavors to shift such responsibility by making laws that are supposed to compensate for ignorance; and this brings us to some phases of the subject that have had legal consideration.

The question of unlawful combinations in the cold storage industry, whereby the quantity of goods on the market might be restricted and prices unduly increased, is a subject that will bear consideration. At the present time the public warehouses are so numerous, so scat-

tered, so diversely owned and managed, that combination would seem to be impossible. Neither do these houses own the goods in them—they are merely depositories. Realizing that information concerning the quantity of foods in storage is necessary to the public welfare as well as a protection to themselves, the cold storage warehouses of the American Warehousemen's Association, now 43 in number, have for years voluntarily furnished monthly statements of the goods carried. This statement is given the widest publicity by trade papers and journals and the United States Crop Reporter. The great corporations handling perishable products, and warehousing enormous amounts, make no statements to anyone. Neither do the owners of the multitude of smaller private refrigerated houses. The aggregate holdings of such is very great and is a factor in the food supply of the nation. The progressive warehousemen have publicly gone on record and have expressed to the United States Government a belief in the necessity for a system of reports giving holdings of foodstuffs, that all the people might know the resources of the nation. A national law to that effect will undoubtedly be made some day.

Meanwhile, the students of cold storage as related to the conservation of foods, and as an indispensable factor in modern life, are simply asking that the many attempts at legislation shall not impede progress; and that the consumer, too ignorant now to know what he ought to have for his own betterment, shall not wake up to find himself injured by legislation that is to his detriment.

There is a need for a broad, general policy in the handling of interstate traffic in perishable products, involving transportation, storage, marketing and the whole vast field of the distribution and conservation of our food supplies. That is a question for the federal, not the state government.

The question of cold storage, which is really conservation, is too much a part of the greater problem to be considered separately. Conservation of foodstuffs is a vital question now, and will lose none of its importance as the years go on if our country continues to develop and to pile up its people in cities. We dare not risk adding to the complexities already confronting us an unjustifiable restriction of the most potent means that we now have for the conservation of perishable products, namely, refrigeration. It is an open question whether, with the rapidly changing conditions, we know enough at this time to make wise regulations.

## THE COST OF PRIVATE MONOPOLY TO PUBLIC AND WAGE-EARNER

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I am particularly glad to speak upon the subject of the cost of living, because it is fundamentally an economic rather than a political subject. I have felt about politics, until recently at all events, very much like the old southern colonel who made a speech quite late in the evening at a banquet of veterans. He told how he had fought, bled and died for his country and lost all he had in the war—save honor. And “when the war was over,” he continued, “I came home and went into politics, and lost everything I’d saved in the war.” Politics after all is only machinery—a mere means to an end or purpose, and that purpose, in my opinion, is to change economic conditions so that the average man or woman can get along better.

We are living in an age of intense and practical realism. At last society has learned to demand results from power. The time has come when men in public life must give proof to the nation, never so much as now from Missouri, that their effort is to get down to the stark realities of life. And the most real of these realities is the question of the average man’s ability to pay for the necessities of existence—food, fuel, clothing and shelter.

Recently we have taken a renewed interest in social problems. Social workers, economists and even political parties have outlined campaigns of what is termed social and industrial justice. They advocate, for wage-earners, shorter hours of labor, more pay, industrial insurance, old age pensions, safety devices in factories and on railroads, workman’s compensation, etc. All of these things we hope will make the lives of wage-earners during the hours of labor more endurable and healthful. We believe that they will make our factories better places to work in, employment safer, and old age easier.

But we must remember that all of these reforms when established will be costly. They will make the production of the necessities of life more expensive.



If we work men shorter hours and pay them more money; if we provide wage-earners with industrial insurance and pensions, and pass workman's compensation and employers' liability acts, laws to enforce good factory conditions and so on, it will naturally cost more to produce the necessities of life. However large may be the element of increased efficiency which shorter hours of labor introduces, we know that the result of these measures will be to increase the fixed charges of production. It will be more expensive to make the things which people must buy in order to live.

In other words, if we succeed in accomplishing these changes which social workers, economists and progressive politicians urge, and do not at the same time provide a way to prevent those great industrial combinations and monopolies which we call the trusts from merely shifting this burden of additional cost of production on to the shoulders of the consumer, as they have frequently done in the past, by raising the price of the things that they produce or distribute, we will accomplish little. The wage-earner, though no doubt working under better and safer conditions in the factory, will be no better off when he gets home and becomes a consumer. He may receive higher wages, it is true, but on the other hand he will find that the purchasing power of his wage will remain stationary or decrease. It will be just as hard as ever for the average citizen, whether wage-earner, farmer or business man, to pay his bills. The consuming public will not have been helped, and the trusts will continue to make a killing out of the public by selling the sheer necessities of life at prices that the public can ill afford to pay.

In order to determine whether our great industrial combinations and monopolies are or are not an economic loss to the public, let us consider, for a moment, a few typical examples. Let us take for instance the case of the Standard Oil Company.

We are perfectly familiar with the type of man who will tell you that the Standard Oil Company has been a blessing to this country; that it has made oil as cheap as spring water, etc., etc. But I do not believe that the Standard Oil Company, or any other of the great industrial trusts, has either used its monopoly in the public's interest or obtained its monopoly legitimately, or through efficiency or natural causes.

Last year the Standard Oil monopoly acknowledged net earnings of about \$80,000,000. This year the earnings of the Standard Oil

group will probably be about \$100,000,000, or more than 20 per cent on the whole enormous value of the property which it has amassed through monopoly and oppression. Within a year also the Standard Oil monopoly has increased the price of gasoline from 11 to 18 cents a gallon and kerosene from 6 to 8 cents a gallon, and this in spite of general improvement of business and enlarged earnings.

Now if the Standard Oil Company instead of putting up the prices of its products had been obliged to reduce them on account of competition so that its net earnings for a year were \$50,000,000 instead of \$100,000,000, its stockholders would still be well rewarded for their acumen in backing Rockefeller's business ability, and every household in the country would be gaining its share of this \$50,000,000 saving. The Standard Oil monopoly alone is costing the people at least \$50,000,000 a year in excessive profits. Indeed it is probable that under competition oils and gasoline would be sold at prices which would save the people much more than \$50,000,000 annually, inasmuch as the chief effort of the Standard Oil Company has been to keep down rather than to increase the output of crude oil, in order to control the market more effectively.

Even if we concede, for the sake of argument, that the products of such great industrial combinations are cheaper today than they would be if these combinations had never been formed, although I believe the opposite is true, the case against monopoly is weakened very little. The fact remains that through monopoly the Standard Oil Company, which we take merely as a typical example, does actually, through its position of immunity from the laws of competition, impose an annual tax of more than \$50,000,000 upon the public in excessive profits over and above a fair return upon capital.

The American Sugar Refining Company, a powerful and successful industrial combination, which during the recent government suit was found guilty of even the more petty forms of thievery, such as tampering with custom house scales and tapping city water pipes, reported a year ago earnings on its common stock of 24 per cent. Since then, however, competition chiefly with the Arbuckle and Federal Companies has materially reduced dividends and prices.

On June 14, 1899, which was long before trust magnates had grown wary through daily encounters with Congressional inquisitors, Mr. Henry O. Havemeyer testified before The Industrial Commission, created by an act of the fifty-sixth Congress. With what

would now seem almost childlike ingenuousness, he told the secret of the Sugar Trust's success.

*Question (by Mr. Jenks):* Now, can you tell what special advantages—if you can give this in some detail I shall be glad—come from this organization, and in what way you make your savings?

A. The greatest advantage is in working the refinery full and uninterruptedly. Of course, if you have a capacity of 140,000,000 and can only melt 100,000,000 somebody has got to cut down materially. The moment you cut down you increase the cost; by buying up all the refineries, burning them up, and concentrating the meltings in four refineries and working them full, you work at a minimum cost. That enables us to pay a dividend on the common stock.

Q. So the chief advantage in the combination was in concentrating the production and destroying the poor refineries?

A. Precisely.

Mr. Havemeyer then went on to say in answer to Mr. Jenk's question whether he knew of any other advantages of large combination other than those which he had stated, that there were no other advantages.

The eleventh annual report of the United States Steel Corporation, another typical industrial trust, dated March 13, 1913, shows net earnings of \$118,000,000 as against \$112,000,000 for the previous year. It paid last year \$25,400,000 in dividends on its common stock which may now have some book value but which was water at the time it was issued. It has earned since its formation an average of above 12½ per cent on capital invested. In the last ten years the United States Steel Corporation has accumulated or disbursed to its stockholders over \$700,000,000 in excess of a fair return upon capital.

Mr. Carnegie has explained publicly and at length that the success of his company which became the backbone of the Steel Corporation was largely caused by a method of procedure similar to that of the Sugar Trust, to wit, buying up competitive mills and promptly closing them down. The Steel Trust itself gained its monopoly and secured control of prices chiefly by acquiring other plants and ore deposits at prices so fabulous that they could only have been paid in anticipation of huge profits due to freedom from competition. In his testimony before the Stanley Committee as late as January 11 of last year, Mr. Carnegie expressed forcibly his disbelief in the efficiency of enormous industrial combination as follows:

*Mr. Carnegie:* I do not believe that corporations can manage a business like partners. When we were partners I felt we could run around corporations. . . .

It is the same thing with a man who owns the land he tills. Take Europe today; take Britain; the farmers lease the land. Go to Iowa, where I went, when I was a young man, on a holiday, and there I saw the homes of triumphant democracy, every little bit of ground owned by a man and tilled by him. Great Caesar! What can a big farm do? Look at the failures of those enormous farms they have there. They were given up. They commenced to do farming on a large scale. The man that owns the ground he tills is the man equal of any other in this land of triumphant democracy, and I have loved Iowa ever since I went there and saw what it meant.

It is the same in manufacturing. The best corporations that ever were formed will be beaten by such an organization as we had in the Carnegie Steel Company . . . .

*Mr. Beall:* In your testimony before the Ways and Means Committee two years ago I find this statement:

"If you want to keep this country ahead in steel, you can not depend upon great combinations. In the nature of the case they become conservative."

*Mr. Carnegie:* Quite true—great corporations.

If the United States Steel Corporation has achieved the very remarkable feat of earning \$700,000,000 in the last ten years over and above a liberal return upon capital, it has not been through efficiency or economical service to the public, but through monopoly's power to crush competition and deal with the public with an iron hand. Moreover, this \$700,000,000 has not been gathered from the empty air. It has come, just as all excessive earnings made by trusts have come, out of the consumer's pocket. While steel rails are not a necessity of every day life in the same sense as kerosene, or coal, or oil, or beef, they are undoubtedly a necessity of civilization, and the price of rails bears as real though a less visible relation to the average man's pocket as the price of oil, beef, or bread. If railroads must buy rails at monopoly prices, the public must be charged just so much more in fares and freight rates to make up for it.

It is a simple economic law that when a monopoly increases or holds up the price of any necessary of civilization, whether food, fuel, structural steel, or steel rails, the public suffers and the cost of living is increased or at least held up at an unwarrantably high price. The consumer ultimately pays the bill.

We might cite many examples of industrial trusts that have been built up by methods like those mentioned above, and that have used their power for the sole purpose of exploiting the public and increasing the profits of their stockholders, among which stand out most conspicuously the American Tobacco Company, which the year

before its dissolution earned over 64 per cent on its common stock, and whose component parts have since then done an equally prosperous business; the United Shoe Machinery Company; the National Cash Register Company and the International Harvester Company.

An industrial trust might be defined as a combination maintained for the purpose of increasing profits at the public's expense, for investigation after investigation has amply proven that in almost every instance the trust's concentration of industrial power and elimination of competition are established and maintained by extravagant or vicious methods and for the benefit of the trust itself or its stockholders rather than for the benefit of the general public. Good service to the public, efficiency, and economy of administration are rarely found to be the causes or the results of successful industrial combination on a great scale. Indeed the very term monopoly implies a condition where neither efficient management nor good service to the public is a business necessity to a company.

According to the report submitted on the third of last March to President Taft by Mr. Conant, commissioner of corporations, the net earnings of the International Harvester Company from 1909 to 1911 have been at about the same rate as those of the Steel Corporation, that is to say about  $12\frac{1}{2}$  per cent. But it is not shown anywhere that the Harvester Trust's successful financial record and the maintenance of its monopolistic position are due to efficiency or good service. In regard to this Mr. Conant says:

The chief features of the International Harvester Company's operations are the substantial maintenance of its monopolistic position in the harvesting-machine business, originally acquired through combination, and its extensions on a large scale into new lines of the farm-machinery industry. The company has been able to do this in part through the acquisition of some of its chief rivals in the harvesting machine business; in part by using its monopolistic advantage in these harvesting-machine lines to force the sale of its new lines; in part by certain objectionable competitive methods; and especially through its exceptional command of capital (the backing of the Morgan interests) itself the result of combination.

Monopoly's freedom from the laws of competition unquestionably exacts a heavy tribute from the pocket of the consumer—a tribute measured annually in the hundreds of millions of dollars which the consumer pays to the industrial trusts over a generous return on capital. But monopoly has also placed an intolerable and unneces-

sary burden on the shoulders of its vast multitude of wage-earning employees. In spite of its enormous earnings, in spite of its great financial power and the large fortunes which it has built up for its directors and principal stockholders, monopoly again and again makes a confession of either inefficiency or bad faith and indicts its own system of destruction of competition by publicly professing inability to pay a living wage to its employees, and by acknowledging its inadequacy to deal in a progressive or civilized spirit with the problems of labor which the rest of the industrial world is obliged to meet.

Recently under the government's threat of dissolution, and owing to the hot fire of public criticism which the disclosures in the Sage Foundation publications have focused on the United States Steel Corporation, its officers have been engaged in organizing an extensive campaign of justification in the eyes of the public. For instance, in January the first numbers of two illustrated magazines called respectively the *Bulletin of Safety, Relief, Sanitation and Welfare* and the *Monthly Bulletin of the American Iron and Steel Institute* appeared under the direction of the officers and directors of the Steel Corporation. The March number of the latter, from which I will quote, was recently sent to me by some unknown friend. It is a highly colored and extensively illustrated exposition of the Steel Corporation's efforts at encouraging gardening among its employees by donating prizes ranging from \$5 to \$10 and by setting aside vacant lots for gardening purposes. The Steel Corporation has retained no less a person than Dr. Thomas Darlington to become secretary of the welfare committee of the American Iron and Steel Institute and as an editor of the *Monthly Bulletin*. Dr. Darlington's article in the March number seems to show that the life of a Steel Corporation employee and his family is little short of the millennium; that it is a perfumed existence spent chiefly in beautiful gardens, surrounded by flowers, fountains and the lilting of songbirds. Dr. Darlington says:

This is the Easter season. The first Easter was in a garden. This brings the thought that a garden is a place of resurrection, a place of birth, a place of beautiful things of nature. Spring is here. Now is again the time to plant. The words of Shelley come to us:

And the Spring arose on the garden fair,  
Like the Spirit of Love felt everywhere;  
And each flower and herb on earth's dark breast,  
Rose from the dreams of its wint'ry rest.

So may we, working the garden of humanity, sow no other seeds but love, and thus restore on earth that paradise once lost. . . .

The pictures of the workmen's gardens shown in this issue of the Bulletin tell a story that would be difficult to put into words.

Last summer, it was my privilege to visit many of these attractive gardens and to become acquainted with the owners. Among the homes visited was that of a little Italian girl, Josephine Petno, at Dearth. Her picture appears on page 86, standing beside an oven in the yard, with some freshly baked loaves of bread. Taking me by the hand, Josephine led me around the garden, her small brother clinging to her dress. She urged me to admire and smell the flowers separately. She told me the names of the different plants and flowers, and gave me a sprig of sweet-smelling herb, the seed of which she said her mother had brought from Italy. We had an animated conversation, in which she showed great enthusiasm over the garden. How her black eyes did sparkle! She had obtained one of the prizes; and, with the consent of the family, she had been given the money for herself. It seemed to her a fortune. Many were the things she told me she intended to purchase with it. I was impressed by her unselfishness. In her plans the money was all to be spent in buying things for the younger children.

It was a pleasure to witness her aesthetic joy as she viewed the flowers, and her still higher joy as she thought of what the prize money would do for the family. . . .

Gardens reduce the cost of living. The products of the gardens save in the expense for food. And many of those who make gardens have a surplus to be sold.

Investigation shows that many of the people eat too large a proportion of meat. . . .

In making gardens, the members of the family are brought out into the open air and sunshine. This is particularly important to those who work in mines and in mills.

Gardens promote morality. The man who has learned to take pride in his garden hurries home from his work, spending little time in loitering and none in the saloon. The garden thus tends to reduce alcoholism. The man's standing in the community is thus enhanced; and, what is even better, his own self-respect is promoted. . . .

Who cannot recall his childhood home, with its tender associations and fond memories, its sunshine and its shadow? We think not of the money value of what it contained. Perhaps it was humble and poorly furnished. But to us it was pretty and comfortable. Above all it contained mother.

"Be it ever so humble, there's no place like home."

Oh, cottage homes, humble and lowly,  
The heart in its weariness turns  
From the world, unillumed and unholy,  
To the hearths where your modest fire burns.

The soul that the fierce city hardens,  
 And binds with a steel-riven chain,  
 Grows soft in the scent of your gardens,  
 And bursts into freedom again.

Then follow a quantity of illustrations of more gardens of steel workers; then photographs of and tributes to the corporation's most faithful and energetic officers, and finally, at the end of this astonishing publication, a poem which is designed to fill the heart of the public with a lively appreciation of the sweet paternal attitude which our greatest trust harbors toward its army of dependents.

If you hear a prayer that moves you  
 By its humble, pleading tone,  
 Join it. Do not let the seeker  
 Bow before his God alone.  
 Why should not your brother share  
 The strength of "two or three" in prayer?

If you see the hot tears falling  
 From a brother's weeping eyes,  
 Share them; and by kindly sharing  
 Own your kinship in the skies.  
 Why should anyone be glad  
 When a brother's heart is sad?

If your work is made more easy  
 By a friendly helping hand,  
 Say so. Speak out brave and truly  
 Ere the darkness veil the land.  
 Should a brother workman dear  
 Falter for a word of cheer?

What a lovely picture Dr. Darlington has drawn! The joyous steel worker bounding home after his day of healthful occupation (a mere twelve hour shift) and plunging into the mental and physical relaxation of gardening among bowers of posies. Does not this suggest the ideal plan for a vacation for the tired business man, lawyer or politician? Why go fishing? Why go to Europe or to the Maine woods? Rather enlist as a steel worker and live a life of health and beauty amid the flowers watched over by that kindly corporate care which will not let "a brother workman dear falter for a word of cheer."

Of course, I do not wish to underestimate the importance of gardens or detract from any credit that is due the Steel Corporation



for offering prizes for the best gardens kept by its workmen. But as a matter of fact workmen of the steel corporation do not have gardens, that is to say, the average workmen do not. In some country localities it is true that a small proportion of the families of the better paid employees are able to have back yard vegetable patches, but the vast majority of the Steel Corporation's people live in conditions very different from those which Dr. Darlington portrays in the March number of the Corporation's publicity organ.

On Friday, February 9, 1912, Miss Margaret F. Byington, well known as a writer on social conditions, and incidentally as the expert of the Sage Foundation, testified before the Stanley Committee as to her investigations in Homestead as a member of the staff of the Pittsburgh Survey. "My effort," said she, "was to make a study of the actual cost of living and of the home conditions of the steel laborers, not simply the laborer, but all the men employed in the steel industry." She goes on to explain that she selected the town of Homestead as a typical community. She continues:

I got 90 families to keep for me a detailed account of all their expenditures for a period of from four to eight weeks; so that we might have some definite figures, not as to a theory of how much it probably costs to live in Homestead, but figures showing what actual households had to spend during that given period.

I also visited each of these families every week, so that I had a fairly intimate knowledge of not simply what they spent, but what they got for the money that they did spend.

*Mr. Reed:* What class of families were these?

*Miss Byington:* They covered pretty much the whole range of the workers in the industry; that is, I had a good many Slav laborers, some colored families, quite a number of the Scotch-Irish, Welsh, and German, the older immigrants, and a fairly large group of the Americans, who were the better paid men. So that included both the main groups of nationality, and the wages of the laborers who were getting less than \$10, up to the men who are making \$25 a week.

From the budgets of these four groups we drew some averages, showing what the general expenditure in each group was. Shall I read those figures, Mr. Chairman?

*The Chairman:* Yes.

*Miss Byington:* I took at the start the families spending less than \$12 a week, which is practically the laborers' group. They were then getting from \$9.90 to about \$12, depending on whether they worked 6 or 7 days, and 10 or 12 hours a day, but all of the labor group came under \$12.

The figures, as I found them, for the group, showed that they spend \$1.88 a week, on an average, for rent. That means, to translate it into terms of what they got, two rooms in an insanitary court.

Most of these laborers live in the ward that is nearest to the mill. The houses in that section are built in brick blocks of three or four houses to the block, one row in the alley, and one in the street, with a small brick-paved court in between.

There is no running water in those houses. Sometimes from 5 to 20 families have to use the one hydrant which is out in this court. There are no indoor toilets. There is an unflushed vault in the back yard, or in this same open court which is only flushed by waste water which the families pour out in the court.

Of course, in winter it is not so impossible, but in summer the sanitary conditions become pretty intolerable. As a result I found that the death rate in that ward doubled the death rate in the wards on the hill where the better-paid men lived, for I found the exact birth and death rates, and I found that for every 3 children born in Homestead in that year 1 died before it was 2 years old.<sup>1</sup>

Of course, that situation is complicated in part by the overcrowding within the rooms. As a matter of fact, owing to the low wage and to the number of single men who are employed in the mill, most of these families take lodgers.

I may use as an illustration one family where I visited, where there was a man, his wife, and two small children living in two rooms in one of these courts. The bedroom upstairs was used by the men alternately, the man himself being on the day shift, and the two boarders on the night shift. So that they used the bedroom in the daytime and the family used it at night. It is obvious there are some moral dangers as well as physical dangers attendant on this kind of family living. And yet, as you can see, \$1.88 a week does not provide anything better.

*The Chairman:* For what?

*Miss Byington:* For rent. It does not make it possible to get anything better than that, if anyone is to have anything left for the rest of the living expenses.

The food expenditure of these families making less than \$12 a week was \$4.16 a week for the family.

A scientific estimate has been made by one of the professors at Yale that the most thrifty housekeeper can provide food for an adult man for 22 cents a day.

*The Chairman:* That is, wholesome food?

*Miss Byington:* Wholesome food, such as would maintain physical efficiency. This \$4.16 for a family of man and wife and three children would pro-

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<sup>1</sup> Later, referring to laborers getting \$13 per week, the chairman, Mr. Stanley, asked:

"Can they afford on that wage to buy milk at the price at which it is sold at Homestead?"

*Miss Byington:* They do not buy it. Of course, they can not afford to get milk that is good. They pay mostly 5 cents a quart, which is milk that is not drinkable." (This may have some relation to the death rate among children of which Miss Byington speaks.)

vide 18 cents a day, 4 cents a day less than what is recognized to provide the necessary physical food.

As a matter of fact, that 22 cents means that you must be an exceptionally thrifty housekeeper and you must buy food only that has nourishing value. The Slavic housewives are not always thrifty, but even the best of us occasionally would like something to eat that tastes good, even though it may not be nourishing.

So 22 cents means very rigid economy for the average household, and these families live for 4 cents a day below that.

*The Chairman:* You have described the startling sanitary conditions at Homestead, especially among the children. Did you notice in your investigation in this region the physical appearance of the children of these laborers, whether they were ruddy and well nourished, what opportunities did they have for schooling and exercise? I would like you to tell the committee what you noticed.

*Miss Byington:* The babies are pretty white. There is not a great deal of fresh air and sunlight down in that second ward. The mill property comes more or less like that (indicating) around two sides of the second ward. Of course, the smoke is very heavy, and it is a pretty depressing atmosphere there. I stayed there six weeks and had to go to a sanitarium, so I speak feelingly on the subject of the effect it has on one's physical well-being to live in that smoke-laden atmosphere.

*The Chairman:* You have carefully analyzed these conditions; you have taken this \$10 a week wage that is paid for common labor, whether done by an American or done by a Slav or by a German or a Pole, or what not, and you have generalized it from the expenditures of 90 families, each trying to get the most out of his money.

Now, from your experience, your practical experience, studying the accounts and visiting the homes, inspecting the homes, is it possible for an American, much vaunted as he is—the best praised and the poorest paid man in the world is the American laborer; I mean unskilled—is it possible for an American laborer, or any other laborer, on that wage, to have the comforts of life, and to have sufficient nourishing food and clothing that would protect his family from the elements, by any degree of economy, and by denying himself from pleasure and luxury?

*Miss Byington:* No.

*The Chairman:* That is what I want to get at.

*Mr. Reed:* Is that condition peculiar to the steel industry, or do you find it in all the other laborers, by whomever employed?

*Miss Byington:* I should say that no man could ever do it on \$10 a week, in so far as that is a laborer's wage.

*The Chairman:* In the city of Pittsburgh?

*Miss Byington:* In the city of Pittsburgh. My figures, taken from the bulletin of the Department of Labor, comparing the cost in different cities, showed that the Pittsburgh prices were higher than those of any of the big cities of the country, higher than New York and materially higher than Chicago.

*Miss Byington:* It would be the width of four of these small rooms; that is, there are four houses built close together, and the court is about square.

*Mr. Young:* Is this court entirely surrounded by houses?

*Miss Byington:* Yes, There are four houses here (indicating) four houses here (indicating) and a court in the middle. Then there would be a fence.

*Mr. Young:* At the ends?

*Miss Byington:* At the ends. Then you would have four more houses, another set of eight.

*Mr. Young:* These courts are square, octagonal, so that there are four sides of the court?

*Miss Byington:* Yes. There are houses on two sides and fences on the other two. Of course one of them I have made a special study of. There were houses on three sides, and a stable on the fourth.

*Mr. Beall:* In addition to being used as a playground for children, and for toilet accommodations, what other uses are made of those courts?

*Miss Byington:* Most of the families do their washing out there; they are very apt to when it is warm enough. It is everybody's back yard, that is all. And you use it just as you would use any back yard, except there are 16 families to use it instead of each having its own.

In regard to the relation of wages and of the cost of living among the steel workers, Mr. John A. Fitch, who is perhaps the highest authority on labor conditions in the steel industry, gives us additional evidence. He testified as follows on the second of last February before the Stanley Committee:

In Chicago and Pittsburgh the associated charities have recently made careful studies of the cost of living and have arrived at conclusions as to the income necessary in their respective cities to provide a bare subsistence for a workingman's family including husband, wife, and three children. They put the figure at \$630 in Chicago and at \$758 in Pittsburgh. If a common laborer works 12 hours a day 365 days a year in the Chicago mill, he will earn about a hundred dollars more than the minimum estimate. If he takes his Sundays off and works 12 hours a day for 313 days he will just about make it. But if the period of employment drops to 300 days, which is better than the steel companies have been doing for some time, his income will not reach this minimum standard of decency, even if he works 12 hours a day. And if he works only 10 hours a day he will not reach this minimum even by working 365 days in the year. In Pittsburgh if a man works 12 hours a day for 365 days in the year for the Steel Corporation, at 17½ cents an hour, his income will be \$766.50, which is a dollar and a half less than the minimum standard.

Since the time referred to in the testimony of Miss Byington and Mr. Fitch some advances in wages have taken place, but it is doubtful whether these advances more than counterbalance the increased cost of living.

The Steel Corporation, however, is by no means alone among industrial combinations as to its underpayment of employees and its bad physical conditions of labor. In fact, it is in some particulars distinctly better.

Last month a legislative investigation disclosed the fact that labor conditions in the Harvester Trust are as bad or worse than in the Steel Corporation. We find by reference to the report of the recent Wagner Committee that a large part of the women employed by the Harvester Trust in New York state receive a wage of from \$5 to \$7 a week; that this wage includes the compensation of women who work all night and that sanitary conditions are extraordinarily bad. A director of the Harvester Trust, in answer to the charges of the Wagner Committee, was recently reported as saying: "This night work has been rendered necessary largely because of the government's perfectly unreasonable attitude toward large corporations which has made it impossible for managers of large concerns to know whether they are on foot or on horseback; whether they could extend their plans to keep up with increasing demands or not."

Undoubtedly the Steel Corporation is leading the steel industry in certain kinds of philanthropic work among its employees. Its safety appliances are now modern. Until 1907 five hundred steel workers were killed annually by accidents in Allegheny County alone. Improved methods have reduced this figure and incidentally the expense to the corporation of settlements and lawsuits. Until 1907 (the last year in which I could obtain statistics on this point) the average amount recovered by the families of these accident victims, through voluntary settlement or law suits was \$534, or less than three-fourths the average wage of the dead man for one year. I understand that now the Steel Corporation has become more generous in its policy toward widows and orphans. But the three things which its employees want and need and which the Steel Corporation is by no means willing to grant, are a living wage, decent hours of labor and a reasonable recognition of the rights of labor.

The report of the Steel Corporation dated March 13, 1913, shows that the Steel Corporation employs 221,000 men; and that a quarter of this enormous army of wage earners work 12 hours a day at what is undoubtedly under a living family wage. The same report, as I have pointed out, quotes the Steel Corporation's net earnings for the last year as very gratifying—\$118,000,000 as against \$112,000,000 for the

year before. \$25,400,000 of this sum was paid as a dividend on common stock. The same report points with pride to some worthy but comparatively inexpensive welfare work and to an increase of 12½ cents a day in the wages of employees who receive less than \$12 per week. But the eleventh annual report also relates that the Finance Committee recently appointed a committee to consider the question of reducing the twelve hour day for some 50,000 of its employees, and that this committee, after careful consideration, has come to the conclusion that the Steel Corporation cannot afford to take so revolutionary a step. The language of the report is in part as follows:

On May 28, 1912, there was sent to stockholders a copy of the report of the committee of stockholders appointed at the annual meeting held on April 17, 1911, to investigate conditions of labor in the mills. In the circular of the chairman, accompanying the same, stockholders were advised that in response to the recommendation of the committee mentioned, the finance committee of the Corporation had appointed a committee consisting of the chairman, Mr. Roberts, and the president of the Corporation to consider what if any, arrangement with a view to reducing the twelve-hour day, in so far as it now exists among the employees of the subsidiary companies, is reasonable, just and practicable. . . . As the stockholders' committee pointed out, the twelve-hour day has, by its general acceptance and practice over a considerable period of years, become firmly intrenched, and any sudden or arbitrary change would involve a revolution in mill operations. Nor are we sure that it would be possible for any one employer, or any number of employers, to inaugurate a shorter hour system, unless a similar policy should be adopted by all employers engaged in the same industry.

But the sincerity of the Steel Corporation's desire to reduce the hours of labor of its twelve-hour men is open to suspicion. Not long after the publication of this report the Steel Corporation was urged to confer with the independent steel companies, with a view to abolishing the twelve-hour shift and adopting in its place the eight-hour shift, which prevails in the steel industry practically throughout Europe. A few weeks ago the Steel Corporation refused to confer.

The Steel Corporation has been able to set aside liberal sums for depreciation and improvements. It has been able to pay \$25,400,000 a year on its common stock; able to increase its annual net earnings from \$112,000,000 to \$118,000,000 in the last year and it has been able in the last ten years to earn \$700,000,000 in excess of a reasonable return on capital, but it pleads inability to pay its dependents a living wage, nor can it afford to work fifty thousand of its men for less than

seventy-two hours a week (the average hours of labor of the same grade of employees in England being 55.2 hours per week). Surely this may be described in the words of Dr. Darlington's sunshine article as "working the garden of humanity."

But those who defend the policy of our great employers of labor maintain that their treatment of employees does not constitute industrial slavery, inasmuch as no one is obliged to work for any corporation unless he wants to. He is not branded on the forehead if he does not accept the employer's terms, as laborers in the reign of England's Stuart kings were branded. "If he does not want to work twelve hours a day, or twelve hours a night," argues the apologist, "and if he is unsatisfied with an insufficient wage, he can go elsewhere." But this is exactly what he cannot do. The condition of the labor market, the necessity for labor—for food, shelter and clothing for themselves and their children—drive men and women to accept whatever terms are offered them with an argument as powerful, if less dramatic, than the brands and imprisonment of bygone times. As Norman Hapgood has pointed out in his admirable book *Industry and Progress*, the powerful employer can today obtain labor in the United States at the lowest wages on which men and women are able to escape starvation.

The Steel Corporation, through its immense power, its arrangement of bonuses and pensions contingent upon non-resistance to the terms of labor and wages which the Corporation dictates, its highly organized system of espionage, and other devices, has succeeded in stamping out labor unionism in its plants and in preventing its employees from making any effective resistance against the destructive conditions under which they must work. Mr. Fitch in his testimony before the Stanley Committee says:

The so-called profit-sharing plan of the Steel Corporation is also designed to limit the independence of the workmen. It is not a profit-sharing plan, properly speaking, because it extends only to those employees who buy stock. Such employees receive a bonus each year for five years of \$5 for each share of stock. They also are to receive an extra dividend at the end of five years made up of the bonus fund which has accumulated owing to employees failing to pay for their stock or leaving the employ of the company. But the rules of this profit-sharing plan read that employee stockholders may receive these extra dividends and bonuses not as a matter of right but at the pleasure of the corporation. And they are to be paid only to those men who have "shown a proper interest in its welfare and progress. . . ."

But the power of the steel companies is most unrestricted and most effective over the men who work in the mills. In order to understand this fully one must realize what the policies of the Steel Corporation are, and have been for years, with respect to the freedom of action on the part of their employees. It was brought out before your committee some time ago that as early as 1901 the executive committee of the Steel Corporation went on record as opposed to organized labor. Since that time a consistent fight has been made by the Steel Corporation against all the unions to which any of its employees have belonged.

The methods employed by the United States Steel Corporation to keep its plants non-union are many. First, there is the secret-service department, of which George Preston, of the Carnegie Steel Company, is the head. Just how this system operates probably no one but Mr. Preston could tell. That its operation is effective, however, is testified to by workmen and union officials. No meeting can be held to discuss conditions of employment and ways of bettering them without the Steel Corporation being furnished with a list of names of those who attended. As a result of this system, the workmen in the steel company mills are suspicious not only of strangers but of friends. No man knows but that his next-door neighbor is a spy, and so these men hesitate to speak their minds openly and fear to act as independent citizens.

It should be noted that this policy is more than a non-union policy; that it is more than an objection on the part of the company to that sort of activity which tends to hamper business; it is a denial of the right of an employee to any voice regarding the conditions of his employment. It is not so much unionism that is under the ban as it is freedom of action. . . . Within two years at Gary men have been discharged in large numbers, not for making unjust demands, not for trying to interfere in the business of the steel company, but because they attempted to form some sort of organization. So far as the company had information, and so far as any expression from the men was concerned, the organization that the men were attempting might have been for social purposes only. But the company took no chances. It discharged the men.

I do not wish to be misunderstood in my attitude in regard to the matters which I have been discussing. The steel business is full of high-principled men. There are men in it also who are not so high principled. Yet I have no doubt a great many of them honestly believe that their policies are right. In spite of the fact that there are such men, however, I wish to reiterate my statement that the Steel Corporation wields a power such as to make it a menace to the well-being and peace of the people. I have talked with many of their employees, and I know that their attitude toward labor is creating bitterness in all parts of the country. The resentment that men feel over having their liberties and rights interfered with in the manner that I have described is keen and growing.

In regard to this same subject, Mr. Louis D. Brandeis before the Stanley Committee said:



I say these are conditions which have driven out American labor; and the most important thing I want to impress upon you in regard to that is not merely the long hours or the low wages, but it is that it has been and is attended with conditions of repression the like of which you can not find, I believe, this side of Russia. These men are, or believe themselves to be, under a condition of espionage, subject to discharge if they undertake to discuss in any way with one another their grievances, their miserable conditions, with a view to forming a union or remedying their conditions.

And again speaking of the much advertised system of pensions of the Steel Corporation, Mr. Brandeis says in his article "Our New Peonage" published in *The Independent* on July 25, 1912:

Thus, the pension plan of the United States Steel Corporation, which took effect January 1, 1911, provides pensions only for those who have been in the employ of the company at least twenty years, and remain until the time for retirement; but no one has the right to remain in the employ:

"Article 26. Neither the creation of this fund nor any other action at any time taken by a corporation included under the provisions of the fund, or by the board of trustees, shall give to any employee the right to be retained in the service, and all employees remain subject to discharge to the same extent as if this pension fund had never been created."

Even if the worker has remained in the employ until the time fixed for retirement, and has served faithfully, he has no right to a pension:

"Article 24. The pension plan is a purely voluntary provision for the benefit of employees superannuated or totally incapacitated after long and faithful service and constitutes no contract and confers no legal rights upon any employee."

And a board of trustees, in whose selection the workers have no voice, and on which they have no representation, may refuse to grant them a pension or may terminate it after it has been granted for what they, in their discretion, deem adequate cause:

"Article 22. Pensions may be withheld or terminated in case of misconduct on the part of the beneficiaries or for other cause sufficient in the judgment of the board of trustees to warrant such action. . . ."

Features in a pension system like those quoted above tend to make the wage earner compliant. He can be more readily relied upon to prove "loyal" and not to "go out" even if others strike for higher wages and better working conditions. The "continuous employment feature" of the pension system tends thus to rivet the wage earner to his employer, and the provision by which the allowance of a pension is made discretionary further insures "loyalty" of

the wage earner during his employment. An employee of the United States Steel Corporation advancing in years might well be deterred from hazarding the prospect of a pension by trade union activity, or even by joining a union. . . .

A pension system with such features must either prove a delusive protection or operate as a bribe to induce the wage earner to submit to a new form of subjection to the corporation. A frank employer recently said: "By providing so liberal a pension we have bought from the employee the right to leave us."

While it is true that the Steel Corporation, like many other great corporations, overworks its employees and fails to pay them a living wage; while it is also true that, through its peculiar attitude toward labor organizations, its espionage, its pensions and bonuses, its scientific blacklisting and its policy of employing illiterate and comparatively helpless immigrants, for whom it advertises in the newspapers, it has established a practically unparalleled industrial peonage in its plants; nevertheless the chief and particular indictment against the Steel Corporation is found elsewhere. It is in the fact that it uses an immense financial power and retains a resourceful and ever active publicity machine to convince the public that underpaying and overworking men and denying them the ordinary rights of freedom are the necessary and humane accompaniments of economic progress.

I have mentioned the labor conditions in large monopolistic combinations with a particular purpose, which is to suggest that, whereas monopoly oppresses the general public and increases the cost of living by artificial control of prices, it grinds down its own huge army of wage-earners by a double process. Great profits made by crushing competition or by combination agreements bear upon the general consumer in just one way—the increased cost of commodities. But they bear upon employees of the trust in two ways. First, just as in the case of the general public, they raise or keep up unduly the price of commodities that the wage-earner must buy, and in the second place, by holding down wages, they keep down the working man's purchasing power, and incidentally they often, as in the case of the Steel and Harvester trusts, reduce the workingman to a condition suggesting slavery, where he is afraid to organize or fight to decrease the exhausting twelve hour shift or better the starvation wage upon which he must live himself and care for his wife and children.

Apparently the directors of these great corporations, many of whom are unquestionably honorable and patriotic men, are unable to

appreciate the terrific responsibility with which they are burdening themselves when they refuse to admit the accepted doctrines that a living wage is the first lien upon the profits of labor and that all men, whether laborers or capitalists, should have a voice in fixing the conditions under which they themselves and those dependent upon them must live. It is no exaggeration to say that our great corporations are now producing a subject people—devitalized by excessive toil and insufficient wages, and discouraged by the denial of the most elementary rights of freedom. How long this subjection will last, whether this system of industrial servitude will go on quietly or die gently, or whether the wind has been sown to reap the whirlwind is not yet known.

Two methods of dealing with monopoly are suggested. One, an industrial commission to regulate prices of the necessities of life, and the other, war upon monopoly through a clear codification of the rules of the industrial game, by strengthening the Sherman act and defining in it the things that corporations may and may not do.

The regulation of the prices of the necessities of life by a commission, I believe, is an impossibility. I believe that Mr. Clark and every member of the Interstate Commerce Commission knows this; knows that even in the comparatively simple work of regulating railroad rates the efficiency of commission regulation has been taxed to its utmost limit—and knows in addition that in spite of the commission's ability and industry, many of its decisions will result in an accumulation of piled up lawsuits which will clog the calendar of the Supreme Court for decades to come. Every lawyer knows from his own experience or observation that even in cases of municipal gas rate regulation, testimony is often recorded in tens of thousands of pages, never to be read by the commissioners, and never to do anybody any good except the lawyers who introduced it and the stenographers who transcribed it. Experience has shown us that by the time railroad or gas rate regulation cases are decided upon appeal, the conditions which existed at the time of the beginning of the hearings are usually changed to such an extent as to render the decision, merely ground for further litigation. There is little doubt in my mind that to regulate the prices of the necessities of life which American people use, by a commission, is a matter of such infinite and ever-changing complication as to be beyond hope of success. It would leave the trust problem in a more mixed-up and hopeless condition

than it is today. It would effectually prevent any real curbing of the trust's extortions. It would result in continued oppression of the public, while the people and the trusts were fighting it out through endless investigations and rhythmic successions of suits and countersuits. And it is the one best bet that the trusts, with their highly efficient lawyers and highly perfected methods of delay will come off first in this struggle.

Incidentally, the trusts see this quite clearly. And it is for exactly this reason that every trust magnate from Judge Gary down is crying down the Sherman act, and shouting, fighting, and bleeding for commission "regulation of monopoly."

It has been often shown in the past that the ordinary result of commission regulation has been control by corporations of the body that is supposed to control them. The commission is likely to become the safeguard of the corporations rather than of the public. In addition to this commission regulation, instead of taking the corporation out of politics, will make it more advisable—more necessary in fact, from the corporation's point of view—for the corporation to stay in politics and control politics.

If we are against unrestrained monopoly for the trusts, and if we realize, and the public is realizing it more and more, that "regulated monopoly" is but another name for indefinite extension of the trust's power to exploit the public, there remains but one way to deal with the trust question. This is to strengthen and enforce the Sherman act and to have an industrial commission simply as an executive arm—a means of obtaining and making public information about the trusts and of seeing to it that they obey the law.

It is true that the enforcement of the Sherman act in its present form has been a failure and to a certain extent a farce in the case of the Standard Oil and American Tobacco dissolutions. But still it is the only law on the statute books today that gives the people protection against the trusts, and even in its present form, although practically powerless to dissolve existing monopolies, it is a powerful deterrent against the formation of new ones. It is not many years ago since Mr. Havemeyer and Mr. Carnegie bought competing sugar and steel plants, burned them or shut them down and proceeded to make enormous profits out of the public by the simple process not of restraining, but of destroying competing industries. This would no doubt be done today if it were not for the invocation of the long neglected Sherman act.

If we are not for strengthening the Sherman act, we are not for any thus far discovered solution of the trust problem whatever. The Sherman act must be retained on the statute books, strengthened, made effective against monopoly, and rendered definitive in regard to what may and may not be done in the competitive struggle of our industrial producers. This is the first step in the solution of that branch of the cost of living problem which relates to the trusts.

But the next step, in my opinion, though less immediate is equally important. It is for the government to take over, own and operate the railroads. Sherman act or no Sherman act, there will never be complete industrial freedom in this country as long as the railroads and the great industrial producers are controlled by the same group of people. To allow production and the distribution of the commodity produced to be in the hands of the same interests, who in all probability will combine in order to crush competition, fix prices, and exploit the public, is an evident menace to the American consumer. Take a pertinent example. Mr. Gary, the president of the board of directors of the Steel Corporation, at his famous Gary dinners, for years suggested annually to the independent operators that the price of steel rails should be fixed at so much a ton, and he is naturally careful to fix a price which will insure a satisfactory profit to the Steel Trust. Many of the independent operators could generally undersell this price. Why don't they do it? Merely because they know that the railroads are controlled by the same group of men that control the Steel Trust. Each independent operator knows, and records bear this out, that if he sells steel rails at a price lower than Mr. Gary has suggested, he may find difficulty in making deliveries. The railroads will not provide cars enough, or if they do provide them they will take an unconscionable time in reaching their destination. The independent who does not accede to Mr. Gary's suggestion will find himself unable to carry on his business in a prompt or profitable manner.

I do not advocate government ownership of the railroads because I believe that the government will be able to operate them more economically and safely, although I think this may be the case. It is because combination between railroads and industrial trusts gives to a small, immensely powerful and not over-scrupulous group of financiers a tremendous power over the welfare of the American people.

Trust magnates all over the country assure us that the present enormous concentration of capital and industry is necessary and inevitable. Recently a distinguished captain of industry announced

that the future held in store for American trusts that which would not only be bigger but better. I believe they could be better, but I believe they will never be bigger. Great size has never proved economical or efficient, and moreover it seems to confer public obligations upon industrial combinations which their directors are not prepared to meet.

The obligations of small and large industrial companies are essentially different. A small competitive company doing an insignificant part in the work of production or distribution may, without serious injury to society, act upon the theory that its first obligation is towards its owners or stockholders. But when an enormous monopoly with a capital of a thousand million of dollars, employing a quarter of a million human beings, on whom at least half a million more are dependent, and producing or distributing the larger part of a nation's supply of a necessity of civilization, proceeds blandly on the theory that its first duty is towards its stockholders and that its employees and the public are simply units in a great scheme of exploitation and financial aggrandizement, we have a dangerous force with which we must reckon. Such a trust, in its relation to the consumer and to its own employees irresistibly reminds one of the fable of the elephant who carelessly dancing around among the terrified inhabitants of the chicken yard, exclaimed good naturedly, "Well, boys, this is a case of every man for himself."

Coöperation is recognized as a basic principle in the machinery of civilization. And in coöperation, especially among the people themselves, as it is now being so extensively adopted in England and Ireland, both as regards the production and distribution of necessities of life, an enormous agency for reducing the cost of living will be developed in America in the near future. But competition is an equally important principle which must be zealously safe-guarded among our great industries, unless we are willing to see these industries moulded into the form of capitalistic socialism. The violent coöperation of trust monopoly, the crushing out of the rights of the individual, the forcible accumulation of wealth by a small group, the oppression of the weak and poor by the great corporations—this is not only wrong, but expensive, dangerous, and woefully shortsighted. It is an unnatural economic waste. It destroys the benefits of right and peaceful coöperation. It impoverishes the majority for the sake of the minority. It nourishes anarchy and distrust of American institu-

tions. And finally it drags society back toward feudalism, poverty or revolution.

It is perfectly true that there are some natural monopolies, such as railroads, telegraphs and telephones, electricity, gas plants, etc., but these must be taken over, owned and operated by the people. Some idea of the extent of the enormous and unnecessary tax with which this class of private monopoly saddles our communities may be gained from a comparison of the electric lighting and power rates in New York, Brooklyn, South Norwalk and Cleveland. New York is in the hands of the Edison Electric Company. Its rates are from 10 cents maximum to 5 cents minimum per kilowatt hour. Brooklyn also is in the grip of monopoly; its rates are from 11 cents maximum to 4 cents minimum. South Norwalk, whose plant is owned and operated by the people, 9 cents maximum to 3 cents minimum. The present rates in Cleveland under private operation are from 8 cents maximum to 3 cents minimum. But Cleveland is now installing a new municipal electric plant, and I have just received a telegram from a member of Cleveland's city administration in which he says "all rates will be based on a sliding scale from 3 cents maximum to 1 cent minimum per K.W."

Private monopoly is simply granting an exclusive privilege to a few to engage in industry which all should be free to enter, and a license to unjustly oppress others. The legalization and regulation of private monopoly in the production of necessities of life are a contradiction in terms. Private monopoly is no more a fit subject for legalization or regulation than slavery was. Abolition is the only right or logical remedy for either.

At present, however, in the industrial world, both in relation to the general consumer and the wage-earner, the outlook is promising. Under the hopeful analysis of modern thought we are realizing not only our shortcomings but the desirability and possibility of overcoming them. More and more the object of civilization of the hour seems to be narrowing itself down to a simple effort to see to it that men, women and children shall have enough food, clothing and shelter. Give them these and more than half the battle for happiness and good citizenship is won.

I believe that America, and for that matter the whole world, is at last embarking upon a conscious struggle against that greatest of foes of humanity—poverty. When on April 29, 1909, David Lloyd

George introduced his famous budget in the House of Commons he turned to the Speaker and said:

This is a war budget. It is for raising money to wage implacable warfare against poverty. I cannot help hoping and believing that before this generation has passed away we shall have advanced a great step toward that happy time when poverty, and the wretchedness and human degradation which always follow in its camp, will be as remote to the people of this country as the wolves which once infested its forests.

In this spirit we are attacking the problems of our generation. In this spirit we are entering upon a national campaign toward a more equal and just opportunity to enjoy the things of this world.

Half a century ago, Walt Whitman wrote:

America has set forth on the most tremendous task ever conceived by man; a task indeed beyond the scope of any man's thought. Urged on by the inner-destiny forces of the race, she is attempting to realize the race ideal of a true democracy.

To accomplish her end she must be nerved and vitalized by the highest and deepest of ideals; for hers is a world battle with all the relentless foes of progress.

At the time Walt Whitman wrote these lines America was fresh from her mightiest struggle until then—the civil war. But Whitman foresaw that not even the civil war was long to remain America's most portentous passage at arms between the new and the old forces of society. He saw in the future, what we now see in the present, a conflict more vital and pregnant with results of welfare to our people than anything recorded in our history. This is the struggle of today—the economic conflict between the few who are rich, strong and organized, and the many who are poor, weak and unorganized. Only in the successful outcome of this momentous war—in the equitable adjustment of intolerable economic conditions—thoughtful men and women see the triumph of American democracy.



## BURDENS OF FALSE CAPITALIZATION

BY SAMUEL H. BARKER,

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There are two distinct classes of investors: one by preference, the other per force. Every one of us is now an investor by force of circumstances. Investors in the corporate enterprises of the United States may be grouped:

First, those who hold bonds and stocks and get the interest and dividends thereon. Second, those who have in reality supplied the invested capital, or a large part of it, but with nothing to show for what they have done, have the added and continued burden, as consumers, of paying transportation rates and prices for commodities such as are necessary to yield income on securities representing no real investment by the first place holders.

Capitalization of American enterprises may be divided roughly into two forms, that resting on real cash investment or actual created property, and that looking to the public and the future to find value. This last is false capitalization. It may be justified in some sense, certainly as to part of it, by the financial necessities of the projects which it was created to create.

Be that as it may, the whole body of false capitalization, to the extent that it draws income, adds just that much, directly or indirectly, to the aggregate cost of living. Let us freely admit that there was excuse for certain issues of securities which stood for no investment. They at all events, resulted in the carrying out of development projects of infinite public value.

There have been other and vast issues of corporate securities which can not be so justified. They came into being not to help in the financing of any worthy enterprise. They were created essentially as a means of making available for use now, profits to accrue from labor to be performed in time yet to come, and of foisting upon the future the task of liquidating that sinful waste of extravagant living indulged in by beneficiaries of a scheme of financing, cleverly devised to cash in on accumulated wealth and to discount our children's enterprise.

This system has resulted in the quick creation of enormous fortunes, but at the same time it has piled up an unwieldy and dangerous mass of credit obligations. This aggregation of so-called securities which the present generation has created in its selfish greed for the use of more wealth than it has created or will, presses upon us of today, and passes forward, not as a birthright, but as a birth-inherited burden for our children and their children to carry or to cast aside in indignation and very despair.

Economic and financial problems of the hour have particularly to do with results and consequences of the flotation of securities having a claimed value of billions of dollars, but which rest upon nothing more tangible than the earning power, now and hereafter, of the issuing companies. And this earning power often, if not generally, depends upon either a monopoly position or the willingness of the public to pay excessive rates or prices for the services or products of such companies.

Accept these premises and logic forces the conclusion that the people can destroy, just as easily as they now sustain, a volume of corporate obligations created as the easiest, safest way to exploit the many for the profit of the few. In many cases the sins committed in the initial capitalization of industrial concerns were so palpable that efforts were made at atonement, that is, by putting more real value into the properties capitalized, so as to strengthen the position of the stockholders. In this process the public has supplied the capital, but has nothing for it.

The greatest example of this is the United States Steel Corporation. From the time it started, April 1, 1901, capitalized at \$1,403,000,000 upon tangible properties which the federal Bureau of Corporations could find to have been worth not more than \$682,000,000, this corporation, to the end of 1912, applied \$551,335,535 of profits in filling out the difference. Such is the measure of the investment by the public in the steel business to make good the false capitalization of this greatest industrial corporation launched on \$682,000,000 of property submerged under \$721,000,000 of water. And during the period that the \$508,302,500 of common stock was thus being given value, still further profits paid \$149,927,382 in dividends to holders of such stock.

Now for the general propositions. Time was when actual property value was looked upon as the safe and true measure for capitalization. This theory was first abandoned in an important way in the

capitalization of railroads built into unopened territory and largely as projects of development.

Capital had to be induced to embark in such enterprises, in which risks and even hazards ran hand in hand with, and often far ahead of success. For the construction of nearly all such pioneer lines it was necessary to meet the demands of capitalists. They wanted more than ordinary returns. In fact, they demanded terms big with promise. They would take bonds issued to finance construction cost only at heavy discounts.

Nor was that all. With such bonds there was very commonly issued a like amount of stock. This had no value when issued, nor did it amount to anything more than a call upon the future. Such bonus stock was retained as far as possible by those who promoted the issuing railroad. Part of it was in most cases demanded by the capitalists who furnished the construction capital. They wanted some stock to give them a larger income than they could get, as holders of fixed income securities, in the expected event that the railroad proved successful.

Present-day railroad financing is generally being done upon a clean basis. Fortunately for all concerned, and not least, the public, the established properties are in position to finance on reasonable terms. They are able to build extensions, to make improvements, to provide additional equipment, without those sacrifices of the future which many railroads were driven to make in the earlier days.

For the best and largest development of the country, the railroad system must be maintained, operated and expanded so as to provide safe and adequate transportation. If the railroads are to perform their functions in a way which the public has just right to require, they must earn revenue sufficient to provide the services and to pay whatever is a fair return on the capital which must yet be invested in railroad property.

The carriers and those who own railroad securities should have fair treatment. So must the public. On June 30, 1911, our total railroad capitalization was \$19,208,935,000, of which \$3,495,916,000 received no return. Eliminating inter-company and so duplicated holdings, the net capitalization was \$14,434,309,000. Opinion differs widely as to what relation the value of the railroad system of the country bears to this capitalization.

Last year a New Jersey commission found that the seven principal companies had properties in that state with a present value of \$343,-201,589, carrying \$357,346.186 of capitalization. Commissions of Washington, South Dakota, Michigan, Minnesota and Wisconsin have valued the railroad properties in those five states at \$1,021,950,-881, against which the capitalization was \$1,276,949,698, or one quarter in excess of the valuation.

Property created out of retained profits from railroad operation, and so contributed by the public, may not properly be made the basis for capitalization, and thus a further charge upon the public. That marks one dividing line between reasonable and extortionate transportation rates. When the railroad exacts more than is necessary to pay for what it does and to return fair income on the capital investment, the rates cease to be right charges for services performed and become taxes to be resisted.

But it has been in the industrial rather than in the transportation field, and mainly during the last fifteen years, that the great bulk of new capitalization upon earnings, present and prospective, has taken place. In this process an enormous total of securities—many being securities more in name than in reality—have been created and foisted upon the world.

Total capitalization of United States corporations, other than railroads, now exceeds \$20,000,000,000. A tabulation for 1910 showed a total of \$17,530,000,000, of which \$4,400,000,000 were bonds and \$13,130,000,000 stocks. Upon this huge aggregation \$760,000,000 was paid as interest and dividends.

Not a few of these capitalizations have fallen of their own weight, and many more depend upon the willingness of the public to continue to bear the burden of false financing which took place when property values were ignored and earning power was taken as the basis for capitalization.

It by no means follows that we are getting things cheap because the prices are small. But it is necessary that articles shall be sold at unduly high prices if false capitalization is to be made valuable through dividends.

In 1901 the Cambria Steel Company was refinanced to raise required new capital. There was issued \$45,000,000 of stock. This represented \$17,370,000 cash paid. To justify the new capitaliza-

tion the old properties and assets were re-valued, being by this simple process marked up \$27,630,000.

Since then dividends have been paid at rates ranging from 7.7 up to 13 per cent on the actual cash invested by the stockholders of the Cambria Steel Company. In the same time the public, buying the products of the concern, has unconsciously invested \$19,635,226 in the business. Thus the public has supplied to the company a substantially larger amount of real capital than its stockholders have invested.

This has been made possible through prices which have yielded the company big profits. Had it been otherwise, the corporate owners would have been obliged to provide the large new capital which has been required. In many cases the capital provided by the public, in its everyday payment of big profit prices, has been actually capitalized to the corporate owners. When this happens, the public, having made the capital investment, is next called upon to pay dividends on the stock issued free to others.

These acts of false capitalization have borne hard upon the mass of the people, and continue to do so. Yet to destroy the corporation idea because it has been often and outrageously abused and in ways to put undue and wrong burdens on the many, would be but to inflict worse injury upon them.

Industrial and business activities are not possible without combination in less or greater degree. From no true economic standpoint is it desirable that such combination should be destroyed. Breaking down combination of human effort will never be tolerated by thinking people. While civilization exists there will be combination, for combination is association, and without that the human race must be reduced to its primal state, in which individualism was the main-spring of action.

Diversity of occupation, which alone renders possible the largest progress of mankind, came slowly, laboriously, painfully. Only gradually was evolved that high specialization of effort which has made man master over the great resisting forces of nature, forces which, brought into subjection and made to serve the increasingly manifold purposes of mankind have made our present civilization.

Only through association, which established the prerequisite basis for diversity of effort, will man be enabled to retain his present mastery over nature. Alone and by himself, he becomes an impotent

weakling. In that state of isolation his very existence is in the balance.

Man in association with his fellowmen becomes free and powerful. His condition improves, his life becomes easier, his time is made more his own, and new opportunities open for the exercise and display of mental powers, for cultivation of esthetic tastes and for the unfolding of the spiritual in the human composition.

In the light of what has been and is, taking help from the lessons of history and the teachings of profound minds, resting on the demonstrations of reason, the human race dare not now overthrow that naturally evolved economic system of life which has raised mankind to its present-day position.

Some good and earnest, but mistaken people, would strike down every combination, of whatever character. Such action would be a terrible blow to human civilization and would inevitably turn backward the course of progress. There must be found a remedy which is not destructive to human advancement, but to the daring evils which have sprung up in the body politic. Good things are often subverted to foul uses.

The most beneficent of nature's products can become veritable scourges. Water and air, when they gather as floods and cyclones, destroy ruthlessly everything within reach of their tremendous fury. The locomotive is a thing of immense utility so long as its power is applied under control; but let it escape from human command, and it tears a path of destruction.

Quite the same is it with human-made combinations. They rest upon the broad and sure economic principle that association is essential to man's life and progress in the larger sense. Kept within control and made to serve the true end of combination, which is economy in production and distribution, combinations give fuller life and health to the people as a whole. As such they are to be sustained, encouraged and protected. When, through the operation of human selfishness, they are diverted from the straight path of usefulness and converted into high-power engines, worked to exploit the many for the benefit of the few, then civilization's greatest moving force—association—becomes, instead of the uplifter of mankind, a dire power of blighting nature.

With the gradual development of the corporation, with the progressive concentration into the hands of a few of dominating, and, as

it is, often dominant, power over the financial, industrial, commercial and transportation activities of the nation, combination—a natural development of human life—has been brought to do the remorseless, savage work of grinding the life-blood out of the great mass of the people. They have been made the tools for their own exploitation. And so, combination, turned to wrong use, has come to be regarded as a thing vicious in itself, an enemy to mankind.

But it is neither one nor the other. What must be done is not to kill combination, but to bring it into subjection and to turn its huge power to the uses of the whole people. Then will combination perform its natural and proper work when it promotes the welfare of mankind.

There should be a general and fairly relative partnership of all the people in the products of combinations which spring into being as the natural, certain means of accomplishing various work to the best economic advantage. Those who organize and direct great combinations of human effort are justly entitled to large material recompense. Those whose labor and intelligence are joined in making the enterprise a working and producing success deserve their proportionate share of the results. Those who invest in its securities are entitled to a return on their investment commensurate with its nature. Further, those in other ways and elsewhere engaged in productive or any needful or useful service, are not less entitled to participate in the benefits of the combination in which they may have no direct interest.

We have given the Interstate Commerce Commission power to keep transportation rates reasonable. Another natural step will be to set a limit on trust profits and so on the prices which they may charge for their products. With the rights of the public so asserted, false capitalization will fall of its own weight, as wrongful profits vanish.

We must not willfully or in anger destroy the values of securities now outstanding. On the other hand, consumers have rights which must be upheld if our civilization is to stand. There has got to be evolved a better and more equitable system for dividing the fruits of human toil and enterprise. In such system, false capitalization, imposing wrongful taxes on the toiling, striving millions, and adding to the cost of living, can find no place.





## **PART FOUR**

### **CONCRETE MEASURES FOR REDUCING COST OF LIVING**



# CAN THE COST OF DISTRIBUTING FOOD PRODUCTS BE REDUCED?

BY CLYDE LYNDON KING, PH.D.,

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It is the purpose of this article to discuss the means by which food products are taken from the farmer to the consumer, in order to find out where unnecessary handling and costs may be eliminated, and the route from producer to consumer shortened and made more efficient.

## FORCES FIXING WHOLESALE PRICES

In getting at this question, the first factor that must be clearly kept in mind is that the prevailing prices on all farm produce are made by nation-wide and indeed by international forces.

The forces by which prices are thus kept practically uniform throughout the United States and the commercial world are four-fold: first, the practice known as diversion of shipments; second the comparatively low cost of trans-continental and of oceanic transportation; third, the use of cold storage; and fourth, the methods used in arriving at market quotations on farm products.

The large place that interstate freight transportation plays in mobility of transportation of food stuffs and in getting articles from all states and all parts of the world to places where there is the greatest local demand for them is revealed by the fact that the receipts from freight transportation in the year 1910 alone totaled \$1,418,000,000. This grand total is due, not to the fact that the rate of transportation on any given product is relatively high (for a bushel of wheat may be sent from Chicago to New York by lake or by canal for a little over 5 cents, and by all rail for but a fraction over 9 cents), but to the vast amount of freight transported. This development of intra-state, interstate and transcontinental freight has placed the Kansas or Colorado farmer much nearer to Philadelphia than the farmers around Harrisburg were a quarter of a century ago.

Moreover, a custom has arisen whereby the advantage that might otherwise come to the local farmer, due to increased demand or to shortage of supply in the neighboring farms, is overcome by the facility with which farm products from any section of the country may be sent even after transit has started to a point offering a more favorable market. This method is called diversion of shipment or selling in transit. If a car of cattle, for instance, is consigned from a Kansas shipping point to Chicago, it may, by telegram, be unloaded and placed on sale at Kansas City or at Omaha should prices at either of these places indicate greater returns than the probable price upon arrival at Chicago. Grain billed through from the Nebraska or Minnesota farm to points in the middle east or to Philadelphia and other coastwise points may be, by telegram, diverted on almost any day, to any other point in the United States. Thus, should prices be higher for any reason in Pittsburg or in Harrisburg or in Philadelphia, the car would be directed to that point in lieu of going on to Chicago or to New York or to Boston or other points where the local prices were not so high.

A second factor in fixing a nation-wide price on farm produce is the relatively small cost of interstate transportation as compared with the high cost of local transportation. It costs the United States \$73,000,000 annually to haul its produce for only twelve of its main crops from farm to shipping point. The average cost of hauling a ton of farm produce per mile is from 25 cents up. That is, if the Pennsylvania farmer has to haul a great distance, or does not have at hand adequate transportation facilities, his transportation charges will readily amount to more than the total rail transportation charges of the Kansas or Colorado farmer who sells in the same market. The average cost of hauling produce from farms to shipping points in the United States as a whole ranges from 7 to 44 cents per 100 pounds, with an average of 11 cents. The mean rate on grain, flour, and provisions in cents per 100 pounds, through from Chicago to Liverpool by all rail to seaboard, and thence by steamer is 19 cents per 100 pounds, and if brought by lake and canal to the seaboard and thence to Liverpool by steamer, the rate is not far from 15 cents per 100 pounds. That is, it costs but 4 cents per 100 pounds more to get farm produce from Chicago to Liverpool than it does to get it from the farm to the shipping point. In other words, in fixing nation-wide market quotations on farm produce, this disadvantage of the western farmer

diversion  
of  
shipments

comparatively  
low cost of  
haul transport

cost of hauling  
country  
shipping point  
road as much  
hauling on  
is long distances

because of his distance from the market is slight indeed so far as cost of transportation from shipping point to market is concerned.

The third factor in making for a nation-wide wholesale price on farm produce is cold storage. The butter produced in June and July is held for sale during January and February. Eggs laid during the early spring months are held for sale during the winter months of the year following. This makes for stability of price not only for one locality as compared with another, but for one season as compared with another.

The fourth factor making for fluidity and acceleration, and thus for nation-wide stability in market prices for farm products, is the method by which crop reports are issued. It is upon the basis of these reports that the produce exchanges in the primary markets of the United States and the world base their prices, both on current productions and on futures. Information as to crop conditions is secured by the Bureau of Statistics of the United States Department of Agriculture—the most highly organized crop reporting department of the world. This bureau has about 50 statisticians and clerks in the city of Washington, 15 to 20 special traveling reporting agents outside of Washington, a state agent paid for part of his time in each state of the Union, 3,000 county correspondents, and 30,000 township and individual correspondents, giving voluntary service as crop reporters. The bureau thus secures at least four classes of reports as to acreage, conditions, etc., of each crop. From these four classes of reports, the Board arrives at state averages and totals, and national averages and totals as to crop conditions, including the leading facts as to acreage and condition of each crop in each and every locality. At a stated hour, this report is sent world-wide by telegraph and telephone. The primary markets, such as New York, Chicago and New Orleans use these reports as a basis for market prices. To this national crop reporting agency is now being added an international crop reporting agency. It is proposed that this agency have headquarters at Rome in the new International Institute of Agriculture, which has already a Bureau of Agricultural Statistics collecting world wide data and supplying these facts to the forty-nine adhering countries. Each of the great produce exchange concerns has also its own crop reporting agents at work not only in this country but in all other countries as well. Thus prices of farm products are based on crop conditions, not only in every section of the United States, but also in every section

*Cold Storage*  
3

4 *crop reports*

of the world. The influence of local production in any one state in the Union, that is, in fixing farm prices is relatively small.

#### THE COST OF FOOD DISTRIBUTION

Just what share of consumer's prices goes to the man who raises the food? Within the last year two reports have been issued that attempt to answer this question for Philadelphia and New York City respectively. The first was made by the author of this article to Mayor Rudolph Blankenburg on Philadelphia prices; the other by the committee on markets, prices and costs of the New York State Food Investigating Commission. The former was made in October; the latter in August, of 1912. These reports are typical of prices received by farmers and paid by city dwellers.

#### *Farmers' Versus Consumers' Prices in Philadelphia*

The table on page 203 gives the prices received by the farmer for certain types of produce shipped into Philadelphia from the outlying counties. It also gives the prices paid by each set of middlemen and the consumer, and the per cent added thereby to each preceding price.

The first item indicated in this table is the price received by those farmers whose sales are not large enough to warrant their dealing directly with the commission men. The price received by the farmers who sell direct to commission men would be the price indicated for the "jobber." But the average farmer whose sales are not large and who is not in telephonic communication with commission houses usually sells through some intermediary who in turn sells to the commission man.<sup>1</sup>

<sup>1</sup> The price received by the farmer was secured from the price paid by the country stores and other jobbers and from replies to scores of letters sent out to farmers in all directions from Philadelphia. This letter particularly asked the farmers to give the prices on all produce that they had sold during the weeks ending July 20 and 27.

The cost of freight given as the second item is an estimate for freight on small quantities for distances of from twenty-five to fifty miles. Often it is the trolley rate, though sometimes it is the cost of transportation by steam rail or the estimated cost of wagon transportation. In some instances the freight charge has been estimated from points where the freight is greatest, while in

TABLE GIVING THE PRICE RECEIVED BY THE PRODUCER AND EACH MIDDLEMAN AND THE PERCENT INCREASE OF EACH PRICE OVER THE PRECEDING PRICE, TOGETHER WITH THE TOTAL INCREASE OF CONSUMERS' PRICES OVER PRODUCERS' PRICES  
(From a Report by the author to Mayor Rudolph Blankenburg, October, 1912, p. 13)

	FARMER	PLUS FREIGHT TO TERMINAL		JOBBER <sup>1</sup>		WHOLESALE		RETAILER		Per Cent Increase of Con- sumers' Prices Over Pro- ducers' Prices	
	Price Rec'd by	Am't	Per Cent Increase Over Preceding Price	Price Rec'd by	Per Cent Increase Over Preceding Price	Price Rec'd by	Per Cent Increase Over Preceding Price	Price Rec'd by	Per Cent Increase Over Preceding Price		
Butter (low grade) per lb.....	\$0.18½	\$0.19	2	\$0.21½	13	\$0.24	11	\$0.32-	.38	33-58	73-105
Butter (high grade) per lb.....	.23	.23½	2	.26	10	.29	11	.40-	.45	38-55	74-96
Potatoes (low grade) per bu. <sup>3</sup> .....	.53	.62	17	.68	9	.75	10	1.10-1.30		46-73	108-145
Potatoes (high grade) per bu.....	.63	.72	14	.80	11	.90	12	1.30-1.60		44-78	106-154
Eggs (low grade) <sup>2</sup> per doz.....	.11	.12	9	.13½	12	.15	11	.25-	.30	67-100	121-173
Eggs (high grade) per doz.....	.21	.22	4	.24	10	.27	11	.35		30	67
Huckleberries (low grade) per qt.	.04½	.05½	22	.06	9	.07	16	.12		71	166
Huckleberries (high grade) per qt.	.07	.08	14	.10	25	.11	10	.15		36	114
Blackberries (low grade) per qt...	.04	.05	25	.05½	10	.06	13	.12		100	200
Blackberries (high grade) per qt...	.06	.07	16	.08	14	.09	12	.15		66	150
Live Poultry (low grade) per lb...	.06	.06½	7	.09	38	.11	22	.22		100	266
Corn per dozen.....	.15	...	...	...	...	...	...	.40		...	167
Tomatoes per pk. <sup>3</sup> .....	.32	32½	1	.36	10	.40	11	.80		100	150

<sup>1</sup> For definition see article.

<sup>2</sup> In many cases these eggs are candled and part of them sold as freshly gathered eggs,—the others being sold as "rots and spots," etc. In other cases, however, they are sold to the consumer as eggs fresh from the farm. Thus one man writes that they sell as such and asks: "What is the effect of the egg law on us?"

<sup>3</sup> This is the total price when sold in the quantities the average purchaser buys; that is, a basket of potatoes and a quarter or half peck of tomatoes.

From this table it will be noted that the excess of the price paid by the consumer over the price received by producer ranges from 67 per cent to 266 per cent, the average being 136 per cent.

This is an average increase of consumers' over producers' prices, as the "prices received by the farmer" are those received by the average farmer, who does not sell in large lots, and the "price paid by the consumer" is the price paid by the average consumer, who buys in relatively small quantities.

### *Where the Costs of Distributing Food Go*

An analysis of this table shows that the costs of food distribution go for the following purposes:

1. A professional huckster or a country storeman buys from the Pennsylvania farmer and sells to the Philadelphia wholesaler. As a rule, he makes about 10 per cent of the price he pays the farmer plus freight to terminal, thus increasing the total cost of the goods from 9 to 25 per cent.
2. From 1 to 20 per cent increase of what the farmer receives goes for freight to Philadelphia terminal.
3. Then the wholesaler deducts from 5 to 10 per cent for selling it to the retailer thereby increasing the price to the consumer on the average of 11 per cent over the jobber's price.

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other instances the minimum transportation charge is taken; all, however, are typical transportation costs.

The third item indicated in the table is the price received by "the jobber." By the jobber is meant the huckster who goes from farm to farm buying farmer's produce, or the country storeman who sells to commission men, or the jobbers who buy for large wholesale houses or large Philadelphia stores.

The prices received by the wholesaler were secured from the daily reports of wholesale prices.

The prices received by the retailer were taken from the reports sent in from the Department of Public Works. These reports were carefully prepared, at the instigation of the Director, by the leading employees in the Department. There were, in most instances, a half dozen or more reports from each of the wards in the city. If there were not more than two reports from each ward, the data were not included unless further investigation proved these reports to be typical.

Every possible effort was made to secure reports for the same grade of goods and for the same week. Both the farmers and the employees of the Department of Public Works were asked to designate the grade of goods, and to designate with care the exact date of the sale or purchase. The price indicated for any article in the table is, therefore, a price for a given week.



4. Then for handling the goods and selling them to the consumer, the retailer charges from 30 to 100 per cent increase over the wholesaler's price, with an average of 45 per cent.

It is not meant that all farm produce goes through just these channels, but it is very clear that it is this method of food distribution that fixes the price paid by the consumer, for it is this round-about method that the majority of country produce still takes.

That this table is typical is amply supported by evidence from all quarters. Of special significance is the study made under date of August, 1912, by a committee on markets, prices and costs to the New York State Food Investigating Commission on

#### *Wholesalers' Versus Retailers' Prices in New York City*

A table in this report shows how much is added to the cost of a food product from the time it lands at the terminal in New York City, that is, the cost to the wholesaler, until it arrives in the hands of the consumer, that is, retailer's prices. In other words, the figures from this table as given below, are the percents the retailer adds to wholesaler's prices, that is, the cost of distributing food products within the city. Thus the table reveals an increase from the terminal to the consumer of 17 per cent per pound for creamery butter and from 19 to 43 per cent for eggs. Meat prices increased from 25 to 70 per cent. Fish prices increased from 25 per cent for blue fish to 85 per cent for halibut, 160 per cent for haddock and 180 per cent for cod. Canned goods increased from 20 per cent for a low grade of pork and beans to 70 per cent for string beans, 72 per cent for peas, and 80 per cent for a can of corn. Staple groceries increased per pound from 20 per cent for flour to 33 per cent for sugar and rolled oats, to 100 per cent for rice, 112 per cent for tea and 114 per cent for cod-fish. Fruit increases were: peaches, quart, 67 per cent; Baldwin apples, pound, 116 per cent; bananas, 135 per cent, and lemons, 122 per cent, per dozen; while vegetables increased from 60 per cent per pint box of tomatoes to 100 per cent for cabbage, carrots and beets, to 150 per cent for celery. Of the sixty products enumerated, 26 increased from 17 to 50 per cent, twenty-one from 50 to 100 per cent and fourteen over 100 per cent.

And these it must be remembered are the costs added to food stuffs by the retailers only, including, of course, cartage and delivery charges.

*What These Costs Mean to the Consumer and the Farmer*

It is difficult for the imagination to grasp just what these costs of distributing farm produce mean in lower prices to farmers and higher prices to consumers. The consumers of New York City pay annually around \$645,000,000 for food. This food costs at the terminal \$350,000,000. That is to say, the people of New York City are paying over \$150,000,000 each year to have their foodstuffs taken from the terminal to their kitchens. At a cost of 14 cents per meal per person, for all classes in Philadelphia, high and low, rich and poor, Philadelphia citizens are spending \$225,000,000 every year for food. Of this amount they pay something less than \$75,000,000 each year in cartage and delivery costs and in retailers' profits.

Of the \$146,000,000 paid annually by the people of New York City for eggs, milk, onions and potatoes, less than \$50,000,000 was received by the men who raised these crops. For certain produce for which the eastern farmer last summer received \$1, the Philadelphia consumer paid \$2.35.

Is it not needless to point out other results of this method of distributing food products? Is it not clear that the interests of every farmer and every consumer point to the necessity for developing a cheaper method of food distribution whereby at least much of the handling and the profits of a few of the middlemen may be eliminated? All are interested in cheaper costs for food distribution. The farmer, is of course, because it means higher prices. The consumer is because that is his only hope for lower prices. But so is the city! And the labor employer!

If our urban dwellers are to have released a larger share of their incomes for other than subsistence purposes, these food costs must be reduced. Probably half of them now spend annually nearly half of their income for food. In the future that city will have the best civic and industrial prosperity which first perfects plans whereby subsistence costs may be reduced to its each and every citizen. In the past city growth depended on the exploitation of virgin resources and in the development of new industries. From now on, city growth must hinge more and more largely upon community efficiency expressed in lower living costs. The food problem is vitally wrapped up with the solution of the city's industrial supremacy and the extension of its industrial boundaries. Thus Philadelphia's every interest

will be enhanced by placing its \$225,000,000 yearly food purchasing power as near as possible to the gate of the farmers from whom its food supply must be purchased.

Moreover, the manufacturer and the employer of labor should be particularly interested in a reduction of the food supply costs, and in perfecting a closer industrial unity between the city and all of the surrounding agricultural communities. According to all statistics available in 1904, over 60 per cent of the males, at least sixteen years of age, employed in manufacturing, mining, trade, transportation and other occupations associated with industrial life, were earning less than \$626 per annum, or about \$2 a day, while 30 per cent were receiving between \$626 and \$1,000 and only 10 per cent were receiving \$1,000 per annum. If to these, the agricultural laborers are added, 65 per cent of all laborers in the United States receive annually less than \$626, 27 per cent from \$626 to \$1,000, and only 8 per cent, \$1,000 or above.

This means that half of the present total yearly income of 65 per cent of the city wage earners must be spent for food; and this means, with a family of five, that the food cost per day must not be over 28 cents per family, or 5 cents per person per meal. Now the labor employer, if he wishes contented labor, and the city, if it wishes well nourished citizens, must squarely face this food problem. There are only two ways by which it can be solved. First, by increasing the money wages of the laborer, and second, by increasing the actual wage through a reduction of living costs. Any plan whatsoever, therefore, that will tend to have any effect upon lowering food costs should have the hearty coöperation not only of the city as such but also of every manufacturer or other employer and all others interested in the wage earning class.

#### CAN DISTRIBUTION COSTS BE LOWERED?

Can this method of distribution be simplified, and can distribution costs be lowered? This question can be most thoroughly answered by resolving it into three questions: (1) Can the wholesaler's commission be lowered, and his abuses prevented? (2) Can the retailer's profits be reduced, and his abuses abated? (3) To what extent and how can the middlemen be eliminated so that the producer may sell as directly as possible to the consumer?

*I. Can the Wholesaler's Commission be Lowered, and his Abuses Prevented?*

Through the elimination of the risks due to methods of assembling and distributing farm products, it is only reasonable to expect that the commission charged by the wholesale commission merchant or the profit made by the wholesale jobber of farm produce should be decreased. There is some evidence to indicate that there has been a slight diminution in such commissions and profits. But numerous other abuses have arisen, none of which needs to be enumerated to farmers. Farmers are already too familiar with such practices as reporting goods to be sold as low grade when they were sold as high grade; reporting half the chickens dead when but 5 per cent were dead; and the making of dishonest returns. Another practice is to lower the published quotations on goods sold at some of the leading markets, such as Chicago, Philadelphia, or New York, so that it appears 1 or 2 cents below the price at which sales were actually made. This fact was brought out in the recent action of the federal government in imposing a fine on the market commission of Kansas City. Another practice is to report a sale as occurring at a time different from when the sale actually occurred. For instance, if a consignment of potatoes is sold at 35 cents a bushel in the morning, and the price rises in the afternoon to 38 cents a bushel the commission man reports the sale as occurring in the morning and pockets the difference.

- These practices are of concern to all, because they mean:
1. prices to farmers, and therefore less purchasing power in the country;
  2. higher prices to consumers; want of confidence in each business center,
  3. destroying the business of the honest wholesaler and jobber because
  4. shipments are sent elsewhere, and destroying the confidence in the city to which goods are sent to market, thereby decreasing selling facilities, and making it more difficult for producer, retailer and consumer to get proper prices for their goods, and to get goods at proper prices.

There is at hand a means by which such abuses may be reduced to a minimum. This method has been adopted in Texas, Oregon, Washington and Minnesota. Under it the wholesaler must obtain a license from some state authority, filing, at the same time, a bond to the state, for the benefit of consignors. Under the Minnesota law, the commission merchant must indicate the exact minute and hour of

enumeration of abuses  
to see reports on condition of produce  
have published quotations  
changing hour of sale.

licensed wholesalers

the day when the sale was made. This is to prevent the abuses as to depressed quotations just indicated. Of particular importance are the provisions of the Washington law authorizing the Commissioner of Horticulture to hear and pass upon any complaints by farmers; requiring the books of such concerns to be kept open for inspection by the Secretary of Horticulture, who also has plenary powers of regulation and supervision. This law gives to the farmer an indirect and inexpensive method for ferreting out to what extent he has been injured and for securing compensation for such injuries.

Another remedy is to put terminal wholesale markets under the ownership and control of the municipality. The New York Market Commission is advocating a wholesale terminal municipal market for New York City. The Commission fully believes that this terminal wholesale market will save cartage expenses; for there, as in Philadelphia, large quantities of food supplies are carried past their point of destination to a distributing center and then back again. Thus large quantities of food supplies are carried past Brooklyn and the Bronx to the commission houses in Manhattan and from these carried back to Brooklyn and the Bronx. In Philadelphia, the farmer who comes to the city to dispose of his products at Vine or Dock Street wharf, drives ten miles through the heart of the city. His goods are then purchased by a vender who drives back the ten miles and sells them to the consumers along exactly the same road that the farmer passed. Adequate terminal wholesale facilities might do away with some of this extra cartage though it is very clear that they will also add to it in other respects.

The terminal wholesale municipal market, as urged by New York's Commission, would relieve congestion in several parts of the city, provide a conspicuous place for producers to send to and an economic stand so that they can sell cheaper, make it possible for licensed gardeners and farmers to sell their articles of food, provide better refrigeration and storage facilities, reduce the cost of distribution, provide sanitary conditions for handling food stuffs, permit segregation of live poultry, provide for storage of food in time of plenty against a time of scarcity, eliminate two classes of middlemen between the producer and consumer, and put the control of the food supply under the public authority. The plan of placing terminal wholesale facilities under municipal control and operation will unquestionably make for the elimination of certain of the middlemen, will

*Advantages  
a central  
municipal term  
market*

make for the payment of higher prices, because of the large number of buyers present, and will give to retailers a greater choice of goods.

## II. Can Retailers' Profits be Reduced and their Abuses Eliminated?

The situation as to the retailers of food products in the city can well be illustrated by the situation in Philadelphia. There are at the present time in this city about 490 chain stores, subdivided about as follows: Acme Tea Company, 201; Robinson and Crawford, 100; Butler, 51; James Bell, 73; George M. Dunlap Company, 41; Mecca Market Company, 24. In addition to these there are 700 members of the Retail Grocers' Association, now known as "Triangle Stores." In addition to these two groups, there are, according to *Boyd's Register*, 4,169 independent grocers. As Dr. E. M. Patterson points out, "a fair statement of the situation, however, should include 10 per cent, or 200, of the 2,000 butchers and retail meat dealers as at least that percentage of them carry some groceries as a side line. In addition there are 258 delicatessen stores, all of which compete with the grocers and 1,923 'variety stores,' a large number of which also compete in many lines." For purposes of comparison, the chain stores and the triangle stores may be included in the same group. This makes 1,190 chain stores as compared with 6,550 "independent" stores. Comparing the three groups we find that of the total 7 per cent are chain stores, 11 per cent are members of the Retail Grocers' Association, and 82 per cent are "independent."

It is clear that the maximum point to which prices can be boosted by the retailers is that fixed by a subsistence wage on the part of these small "independent" stores. That is, the possibility in upward prices to the consumer is fixed by the cost of keeping up the average small, inefficient store throughout the city. The chain stores, and it must ever be remembered that there are all kinds of chain stores, as a rule keep prices up almost to the level charged by the large number of small stores. No one assumes that the chain stores, as a whole, are charging a just price in a sense that they charge the lowest price that would give them a reasonable profit. But for the chain stores to lower their prices further would mean the driving out of the small stores. It is clearly evident that these small independent stores are slowly wearing out, despite the fact that there are today, in New York City, about 11,000 of them.

small stores  
are economical,  
they pay their  
costs up to the  
prices of the  
efficient store,  
making  
the profits!

The chain stores first became a vital factor in Philadelphia about 1895. Their success has been due chiefly (1) to their cash sales which make possible a quick turn over of the capital invested; (2) to the elimination of losses from bad bills; (3) to their ability to purchase their goods in large quantities from the jobber or direct from the manufacturer; (4) to economies in distribution within the city, due to their ability to use motor trucks from store to store; and (5) economies in management made possible by their control from a central office. It is these economies that are also making possible the Child restaurants, the Horn and Hardart restaurants, the Woolworth 5 and 10 cent stores, etc. The same principle is applied by the United Cigar Stores. That is to say, the principle of retailing in the future will probably be to keep a limited variety of goods which can be turned over from day to day, with a minimum of overhead charges, with surplus stocks, with small rents, with knowledge of local customs, with few bad debts. That is, the small, independent corner groceryman, if he fails, does so not because he is small, but because he cannot avail himself of the economies noted above for chain stores.

One of the most potent factors in fixing food prices is the fact that so many goods are being standardized both as to quality and price; for, on many such goods, the price is fixed by manufacturers' agreements. By standardized goods I mean Campbell's soups, Van Camp's soups, the many varieties of the Heinz products, the many kinds of breakfast foods known to all housekeepers. The inevitable result of this standardization in price and quality is the temptation for the small storeman to boost prices on perishable products, that is, on just those in which the farmer is most directly interested. To increase profits and get the maximum returns, the retailer is also under temptation to sell articles at under-weight, to make overcharges, to misrepresent, to deteriorate, and to pack falsely. There are four schemes for eliminating these abuses by retailers and for lowering the costs that now go to them as profits. First, public ownership and operation of retail stores; second, coöperative stores; third, price regulation; fourth, readjustment of existing transportation and distribution agencies so that the unnecessary handling by middlemen, and all unnecessary cartage, may be eliminated, economies for retailers effected, and information as to prices of food stuffs and profits disseminated, so that the consumer can guard himself against exploitation and abuse.

Advantages  
chain stores

Retailer's  
temptations

Remedies

*Public Ownership.* Public ownership is urged by some as the only solution of the problem. This scheme, however, is as yet little more than a "wish," and that on the part of but a few of our people. Certainly the cost of the venture alone puts it out of the question for the time being.

1 *Coöperative Stores.* The formation of coöperative stores is a second proposal. I refer here to real coöperative stores, owned and operated by the consumers, not the so-called coöperative stores recently adopted by certain corporations for their employees. Coöperative stores, owned and operated by the consumers, have back of them years of success, expressed in millions of dollars of dividends. In Great Britain alone there are today 2,700,000 members of such concerns, or, counting them as heads of families, one-fourth of the total population. Germany follows with 1,600,000, France, one-half as many, Austria, 500,000, Russia, 300,000, and in Italy and Switzerland, a quarter of a million each. Denmark, Sweden, Belgium and Finland have smaller numbers, though a larger percentage of the population.

Such stores in America have thus far had a rather gloomy history. Where a score have started, one has succeeded. The probable reason for the failure of the Farmers' Alliance stores, however, was that they were organizations of country buyers and rural dwellers, all of whom have a poorly developed feeling of class solidarity and have, therefore, little loyalty to a store because it is their own. It is to be noted, also, that the coöperative store plan ameliorates conditions *chiefly for its members*. Save in so far as such stores become numerous enough to affect competitive conditions in the average city store, they will be of no advantage to those non-members who must, through need, avail themselves of the lowest prices.

*Price Regulation.* A third group of people advocate a price-fixing industrial commission with power to fix food prices at a point that will bring reasonable returns on the investment, and with power as well to prevent abuses in weights and measures, and quality. It is proposed that this commission be endowed with powers similar to those exercised by the Interstate Commerce Commission and public service commissions over the rates and service of common carriers. The legal, as well as the practical, results of this proposal, however, must await greater consolidation of the stores into large competing units; for no commission could fix a "reasonable" price for each of the articles in each of the many stores now existing in any city.

Reason  
failure in  
America



Should the food retailing business of the city be divided up in the future, as it gives promise to be, among a very few competing chain companies, a price-fixing commission will not only be desirable, but essential to the protection of the public. Nothing can hasten this more rapidly than the creation of a chain of coöperative stores, for, since the economies of the chain store are so evidently greater than the economies of the small independent groceryman, the injection of a chain of coöperative stores would inevitably mean the driving out of the small, independent groceryman, and hasten the day when the consumers would be depending upon the will of a small number of monopolies for the price they must pay for their food stuffs. But as schemes of price regulation of food stuffs by an industrial commission offer little hope of immediate adoption, they cannot be looked to as a remedial agent for present conditions.

*Readjustment of Existing Transportation and Distribution Agencies.* The fourth plan is so to readjust existing transportation and distribution agencies that all unnecessary handling and cartage may be eliminated, and all the information disseminated essential to bringing a well-informed producer and a well-informed consumer as close together as it is at all possible to do. Steps can be taken, and are now being taken, in this direction, whereby the long and expensive route now existing between producer and consumer may be shortened, and whereby this shorter route may be made the standard for prices instead of the longer route as is now the case. The third question in the reduction of distribution costs is to what extent and how can the middleman be eliminated so that the producer may sell as direct as possible to the consumer.

### III. A Shorter Route from Producer to Consumer

The characteristic in present-day tendencies in food distribution is the awakened activity on the part alike of farmers, middlemen, and retailers to shorten the route from producer to consumer, and to make their business units include all the stages of distribution.

A decade ago the wholesale commission men in their conferences and meetings were passing resolutions stating in stirring words that "business" required that retailers buy from wholesalers and wholesalers from farmers, and that any attempt on the part of either the farmer or the retailer to eliminate the middleman was destructive of all good "business principles." Today, the farmer is organizing him-

Substituting  
of various  
middlemen  
under one  
management

self in coöperative associations, the middleman is sending his own motor truck out into the country to buy direct from the farmer and controlling his own retail stores, and the retailer, typified by the chain stores, is extending his operations to include all the activities in food distribution from the time it leaves the farm until it reaches the consumer's table.

Not only are chain stores bringing about a saving of at least 20 per cent in buying directly, that is, by having a salaried man do the work theretofore done on commission by a professional wholesaler, but many of the larger retail stores are buying in the same way. In Philadelphia, which is typical of other cities, 18 per cent of the stores are buying directly, these representing a very large proportion of the total amount of produce sold. It is this condition that has made the wholesaler realize in the past year that the amount he can dispose of is limited by the price charged by the retailer, and makes him feel that his avenue for sales is limited. These facts, it is, that account for his appeal to such agencies as the Housewives Leagues, to sell goods he cannot longer sell through the old-time channels.

The significant movement of the twentieth century is the tendency among farmers, produce growers, and horticulturalists, to increase their facilities for direct marketing by organizing coöperative associations. Fruits, vegetables, grain, tobacco, peanuts, rice and other food products are being sold more and more largely directly from the orchard and farm to the consumer or to the large retailer.

Through coöperative organizations the farmers of Denmark are now exporting more than \$90,000,000 worth of butter, eggs and meats every year. Practically all the milk of that country is handled by coöperative creameries. In 1910 there were thirty-four coöperative bacon factories with a total membership of about 93,000 farmers, which slaughter annually more than \$1,545,000 worth of hogs to supply their rapidly growing trade. The Danish Export Society did a business in 1908 of more than \$6,600,000. Irish coöperative organizations have done a total business to date of \$125,000,000, a turn over, in 1911, of nearly \$15,000,000. The Hood River Apple Growers' Union of Oregon, with a paid up capital of \$25,000 controls the packing and shipping and inspection of fruits, conducts its own cold storage plant and manufactures artificial ice. It handled 40,000 boxes of apples in 1910. Since its organization it has increased the prices received by its members from 60 cents to \$2 a box.

dealers  
with  
retail stores  
buy direct from  
farmers.

organization

While in every nation and among every class of business, the route from producer to consumer is being shortened, yet these savings have, thus far, had slight effect on consumers' prices for foodstuffs because the majority of these foodstuffs still take the old round-about route through the hands of many men. The hope of the future is that through proper activity on the part of city, state and nation, through the coöperation of public-spirited transportation concerns, through the organization of coöperative societies on the part of farmers and consumers, through the increased opportunities for municipal wholesale and retail markets, through the demand for lower prices on the part of the consumer, this shorter route may be made the standard route.

One definite civic and municipal activity that will encourage this tendency is the establishment of municipal wholesale and retail markets. There are today many so-called markets in all the large cities. Most of them, however, have come to be not markets in the sense of the word that there the producer and consumer meet, but rather groups of professional retail dealers. Farmers do not play any appreciable part in the sale of foodstuffs to Philadelphia's consumers in over ten of the forty-seven wards of the city, and in these ten wards, they do not sell to over 10 per cent of the people. This style of market has been rapidly declining in the last ten years, first, because a one-time residence section is now a business section, and hence no consumers are at hand, and second, because the standard type of store is now the small store, where there is a quick turn-over and where the stock kept from day to day is relatively small. Successful markets, therefore, should be in residence sections, and need be only large enough to give the purchaser ample choice. The housewife today does not like to seek a distant store, and when she does "go to market" she wants to buy of farmers, not of professional retailers.

} Reasons  
decline of  
live market

Each city should stringently regulate its existing private markets and give protection both to the market purchaser and the bona fide farmer. For instance, in the Philadelphia markets today, there is nothing to prohibit any retail dealer from taking a stall, in any private or municipal market, and representing himself as a farmer who sells his own produce. There are many men at certain markets with large signs proclaiming themselves to be farmers who have no farms and who either purchase their goods at the wharves at wholesale or are merely jobbers who spend three or four days in some neighboring

town, such as Lancaster, buying produce from the farmers and then selling it at their stalls on market days as their own produce. The result is that the bona fide farmer and the honest dealer are both put to a great disadvantage and the consumer is forced to conclude that there is no advantage to be gained by buying at the markets. City ordinances should require that none but bona fide farmers or gardeners could display signs proclaiming themselves as such, and should require adequate inspection by city inspectors with heavy penalties for violation. The city might well undertake to do what the state of Wisconsin now proposes to do—assist farmers to secure the names of bona fide residents who wish to buy directly. Then the farmers who do not wish to sell at markets, could use the hamper method made so famous by Mr. Fullerton, of Long Island, or other means of direct shipment. The Growers and Shippers Exchange of Rochester, New York, has been highly successful in standardizing retail prices on farm products by using a package small enough to pass through grocers' or dealers' hands, and to be bought directly by the consumer himself. Every city and state must have a stringent weights and measures ordinance and law, with adequate means for their enforcement.

State and national laws do much now to prevent misbranding and adulteration, though in this field there is still opportunity for improvement. While the national law prevents misbranding as to the contents or weight in a food package, it is still possible to put either a 50 cent or a 15 cent price on exactly the same can of, say, baking powder. There are also laws preventing monopolistic agreements, but there are, as yet, no adequate means for the dissolution of local retail trusts and for the annulment of improper price agreements. Cold-storage laws that encourage conservation of foodstuffs are also essential. The time limit on these, however, should not, as in certain proposed laws, be so short as to deny to the farmer opportunity to hold his goods for the proper length of time, and to the consumer opportunity to buy in cold storage during seasons of slight or no production. The work of the food inspection departments of city, state and nation, should include constructive work on the part of the food department and not only the legal, negative police work of attempting to abolish evils, so that the consumer may be taught the significance and value of certain foods, to the end that every housewife may be a well-informed food inspector.

And, finally, to prevent abuses by retailers, such as over-charges, misrepresentation, false packing, under-weight, etc., there is needed an organization of consumers such as the Housewives League, to give publicity to current abuses. In this way prices can be lowered, and abuses prevented. The Housewives League of Philadelphia and other cities has done yeoman service in giving publicity to abuses of this nature. A permanent organization with a duty in the food world akin to the duty of the Voters' League in the political world, could, through publicity, prevent prices from being boosted to unreasonable heights, and prevent under-handed practices of all kinds for which the consumer must ultimately pay.

*Publicity  
current abuses*

#### AGENCIES FOR LOCAL DISTRIBUTION

The jobber and the commission merchant will always be essential in national distribution of food products. In sharing risk, in transporting goods, in financing operations, in assembling, assorting and reshipping goods, in finding markets, etc., they perform a definite social function, and hence they will always be with us. But their activities are not so essential for selling in the city the produce raised in the outlying country. The possibility of reducing the costs of food distribution lies primarily in increasing the facilities for selling "at home." The shorter route between producer and consumer will then become the standard one for fixing prices. To further this movement, emphasis must be placed upon certain local agencies for transportation. It is in selling "at home" that distribution costs are to be lowered. The twentieth century has brought us certain newer agencies for local distribution that have extended the meaning of the word "home" to include all markets within a radius of fifty or more miles from the farm. Most eastern farmers can find an adequate outlet for their produce within such a radius. It is mainly in the development of direct shipments to relatively nearby markets that the farmer's returns can be increased and consumers' prices lowered.

During the year ending June 30, 1889, the freight traffic on railroads of the United States was about 69,000,000,000 ton miles. Twenty years later this freight amounted to 219,000,000,000 ton miles. This three-fold increase is accounted for to a small extent through a greater mileage but in the main to an increase in the amount carried per mile. The density of traffic in 1909 was more than double

that of 1889. Not only has the amount hauled increased, but the rate of speed has likewise increased. The rate of speed over long distances for carloads of perishable freight now averages around 13.1 miles per hour from Los Angeles to Chicago; 16.2 miles from New Orleans to Chicago; 15.8 miles from Tampa, Florida, to Richmond, Virginia; 16 miles from Tampa to New York. In other words, for perishable freight, Los Angeles is but 173 hours and 25 minutes from Chicago; Jacksonville, Florida, is but 89½ hours from Chicago (1,140 miles); New Orleans, but 57 hours and 20 minutes from Chicago; Washington, D. C., is but 12 hours from New York, 38 hours from Boston, and 46 hours from Montreal. It is thus possible for fruit and vegetables grown in regions as far away as southern Florida to be delivered to consumers in Chicago and New York within 5 days after gathering. It takes about the same time for produce gathered 25 miles out from Philadelphia to reach the Philadelphia market. Moreover, long haul shipments have better refrigeration facilities.

Where the farming is on a sufficiently large scale, the unit of quantity for a shipment is, of course, a carload. The freight rates for carloads are lower, the time of transit shorter, the risk of injury less, the opportunity for securing a better market higher, the probabilities of adequate returns vastly greater. *CO shipment* But not all farmers can sell direct in carload lots. To ship by less than carload lots means higher freight rates, delays in transit, fewer markets, greater time in transit, with consequent deterioration in produce, and, therefore, less returns to the average farmer, for few indeed are the farmers who can alone ship by the carload.

There are several plans by which small shippers can join in making up a carload. *Pick up service* Many of the steam roads now conduct local "pick up" services. Small assignments are collected from a number of stations and brought to a given point to be combined into carloads. Some of the railroads also run special market trains in order to pick up relatively small quantities. A third plan is the professional forwarding agent, whose business it is to collect small consignments and to ship them to market. Such agents have worked up a good business in Indiana, Michigan and Tennessee. This plan offers exceptional possibilities for savings in local shipments everywhere.

There are at hand, however, certain newer agencies for distributing farm produce that are much more mobile, cheaper and more effective for local distribution. These are: trolley freight, motor

trucks, water transportation, parcels post, and good roads. The advantages of these agencies of local distribution are: first, they lower the cost of haul to the station. In 1905-06 the total cost of haul of twelve products from farms to shipping points was \$73,000,000. More significant still, the greater the distance from the station, the less frequently are food products taken to market, and, therefore, the greater the loss through decay and deterioration both to the consumer and the producer. Second, they make it possible to ship in less than carload lots and, therefore, to handle the surplus of the average small farmer. Third, goods can be delivered immediately to the market or section of the city where needed.

*Cost of hauling from farm to shipping point, a large item.*

The features of trolley freight that make its possibilities loom up so large are:

1. Frequent stops at small outlay, thus reducing the cost of the farmer's haul to station, and saving time to the farmer.
2. Tapping regions inadequately served by other carriers, thus placing many farmers several hours nearer the city's markets.
3. Farmers can market their produce while fresh, thus securing higher prices.
4. The ease of shipment in smaller quantities than over railroads, (which are essentially carload lot and wholesale distributors), thus giving a new avenue for marketing the surplus of small farmers, and for focussing attention upon the nature of the output of all farmers.
5. It reaches sections of the city not reached by railroad terminals, thus making possible the distribution of food products to the needier sections of the large city and exactly to the market center in the small city; both cartage and time are saved.
6. It increases the facilities for getting the output of manufacturing establishments to railroad stations, and from the city to outlying suburbs and farmers, thereby enhancing both urban and farm values.
7. Country merchants do not have to tie up their capital in large stocks.
8. An express service at freight rates.
9. It pays. The leading difficulty is to get freight from the city to the farm so as to avoid "empties" on the outward run.

The use to which trolley lines are put as freight carriers may be classified as: (1) Carrying farm produce to market, and miscellaneous manufactures and merchandise to the country; (2) carrying carload

lots as feeders of the steam railroads; (3) handling parcels and lighter packages into and out of the large cities; (4) acting as a means of urban distribution.

The farm produce carried to market includes milk, butter, eggs, fruit, poultry, livestock and all farm products. Examples of the use to which this means of trolley transportation can be put are found in the practices of certain middle western trolley companies and in the newly developed service in Boston.

Centering in Indianapolis are eleven electric express and trolley freight lines, bringing in upwards of 15,000 tons of freight per month, the major portion being foodstuffs. The city secures over 75 per cent of its market supplies over trolley lines. A long distance telephone message at five in the morning brings fruit and vegetables from a radius of fifty miles. The result is a splendidly developed agricultural section and a better development in the manufacturing and commercial possibilities of Indianapolis, and a lower food cost to the Indianapolis consumer. South Bend and Fort Wayne, Indiana; St. Louis, Missouri; cities in southern Illinois; Chicago; Columbus, Dayton, Toledo, Cincinnati and Cleveland in Ohio, are other cities already profiting by such traffic. In many of these cities are open municipal markets with the trolley lines running directly to them so that farmers may receive retail prices for their goods.

There are about three thousand miles of street railway track in Massachusetts, and the greater portion of this mileage is within fifty miles of Boston. A definite effort is now being made by the Bay Street Railway Company to develop its incoming and outgoing freight by bringing into the city boot and shoe findings, and especially farm products of all kinds, and to take out to the farm department-store packages, hardware, meats, paper, vegetables and fruit from other lands and all commodities manufactured in the vicinity. This company now has in use seventeen express and freight cars with a capacity of twenty tons each, heated by electric heaters to protect perishable goods in cold weather, with open bulkheads for cooling purposes in warm weather. The vestibules are so arranged that the windows can be lowered and thus, by air circulation, prevent deterioration of goods in transit. During the warm months, the cars stop and pick up the produce from each of the suburban lines throughout the country districts, thus saving the farmer even the haul to a railway station as well as giving him a more mobile and efficient method of getting



his produce to just the point in Boston where he can dispose of it with greatest profit. The express rates charged are 22½ per cent lower than those charged by the old line express companies, while the freight rates average but from one to three cents per hundred in excess of steam rates. The metropolitan division of the Toronto and York Radial Railway Company have special schedules whereby shipments are made direct from farm to municipal markets in four of the towns served by the company.

The possibilities for an increased use of trolley freight in Pennsylvania are unlimited. The state ranks second in track mileage among all the states in the Union, having 4,343 miles, and stands second also in regard to the amount of invested capital. One-tenth of the street railway mileage in the United States, and about one-tenth of the capital stock invested in street railways, lie in Pennsylvania. Not all of this, to be sure, is in the outlying sections, but so large a portion of it is that its significance as a means of distributing farmers' products is very great indeed, especially when it is coupled with the possibility of unlimited freight distribution within the city, thus placing the farmers' products exactly where they are needed and where the best prices can be obtained. The use of trolley freight in this state is in its infancy, as the law permitting electric lines to handle freight was passed only in 1907. Where given a fair trial under competent management, it has always proved profitable and has grown so rapidly as clearly to show that the farmers welcome such a means of transportation. Thus the Pittsburgh and Butler Street Railway Company recently inaugurated their freight business only after long and careful consideration, and then primarily to accommodate many patrons along the various lines, the directors believing that the business would be neither practicable nor profitable. Larger facilities and frequent schedules were soon demanded. Last year the business in and out of Pittsburgh totaled *one hundred million pounds!* Further increases await added terminal facilities through the enactment by the legislature of the Isler bill (house bill no. 1067) giving to cities of Pennsylvania power to lease their public wharves for terminal sheds or stations, and to erect and maintain market houses therein.

The existing unsatisfactory condition of the trolley freight service in Pennsylvania is due in the main to three reasons: (a) the difference in gauge or in wheel specifications so that through freight cars cannot be run into the city; (b) want of proper traffic agreements;

(c) want of interest in certain of the trolley lines in the development of trolley freight.

Trolley freight saves time to farmers. For instance, a farmer, fifteen or twenty miles from Philadelphia, will now take a day to drive to the Philadelphia market, a day to sell his produce, and a day to get home. Thus half his week is gone. With trolley freight, he could and does load his goods on a trolley car at six in the evening, take an early train to the city the next morning, sell direct to the consumers en route or at the market, and be back home in the early afternoon, using but half a day instead of three, and keeping his invested capital at home at productive work. With a proper trolley freight system the farmers of each district could organize a town office and exhibit where their products could be sold at wholesale or directly to the consumer at one of the markets or a rented place elsewhere, or the organization might do without an office and carry on business largely by direct shipment to the consumer.

Farm produce when shipped over steam railroads must be handled a number of times. It must (1) be loaded on the wagons at the farm, (2) then placed on the station platform, (3) to be loaded on to the cars, (4) unloaded, (5) on to a platform and then (6) upon a vehicle, (7) to be taken to the wholesale market where (8) it is again unloaded, (9) only to be loaded a few hours later on (10) the carts and wagons of the retailer, (11) to be taken to his store, then (12) to be loaded on to delivery wagons, (13) to be taken to the consumer. With the use of motor trucks, the produce could be loaded at the farmer's gate (the truck going, as is frequently done already, from farm to farm, until an entire load has been accumulated), then taken immediately to the retailer or to the section of the city where needed. This saving in handling and the increased possibilities in direct marketing will make the motor truck a leading agency for food distribution in the future. The charges for a five ton gasoline truck, including interest at 6 per cent on an investment of \$4,800, insurance and driver, range from \$6.96 per day for a run of twenty miles up to \$8.39 per day for a run of fifty miles. A large Brooklyn, N. Y., department store displaced thirty-three horses with eleven trucks. The cost for six months was \$8,709 for the horse delivery, previously used, as compared with \$7,349 for the electric trucks, a saving of \$1,360 in favor of the machines. In both cases, the salaries of drivers and helpers were the same, and, therefore, not a part of the comparison. For express service the four leading American companies have already

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invested \$1,500,000 in motor trucks to facilitate the prompt and economical handling of packages. But, of greatest significance, motor trucks save time. Thus the Starkey Produce Company found that their wagons required nine hours to make a round trip. With the motor truck, they have supplanted five wagons and make the round trip in three hours. Hence they could market perishable produce the same day it was gathered.

The savings of the motor truck within the city limits are even greater. Thomas Edison is reported as stating the case in this way: "Fifty per cent of all the freight in the world is moved to and from railroad stations by the horse-drawn vehicle. The automobile truck of half the length takes double the freight and goes twice as fast." From such facts as this it is not hard to see what the future has in store in the way of reorganized food distribution through the wider use of the motor truck. When our cities are planned so that terminals are so placed as to eliminate unnecessary cartage and hauling, large savings can be made. In Philadelphia 5,000 vehicles are used in carting and hauling freight. At \$5 per day for 300 days per year this means an annual charge of \$7,500,000. A proper city plan could materially lower these costs.

More direct access to markets can also be secured through the development of water transportation. Certain lines centering in Baltimore have developed a system of transportation and distribution that has given to numerous farmers access to markets they could never have reached through steam railway routes, with resulting increase in farmers' prices and a definite effect on consumers' prices. The motor boat is a potent factor in getting products from Long Island to New York markets. The gasoline barge and the truck boat should have increasing places in the short haul and traffic for produce in Atlantic states. We may yet find that our old canals and waterways, once so highly prized, may have their value largely returned. The development of our city wharves, with the power in our cities to own and operate wharves, and market piers, the completion of the New Jersey Ship Canal, and the other intercoastal waterways, will all aid in getting eastern farmers nearer by many hours to the markets of the urban centers.

Of distinct significance in the way of reducing hours to market in heavier loads, and in ease of shipment, is the development of inter-county roads. Farm values along roads centering in good urban markets have instantly reflected their advantages in higher values.

The good roads movement is of importance to every farmer, as all farmers must use the roads. The significance of having good county roads centering in the city is especially appreciated by Morris L. Cooke, Director of the Department of Public Works of Philadelphia, who is at present planning to use all the means in his power to perfect the leading county roads centering in that city. A similar movement elsewhere could well be made in the interests of both consumer and producer.

Related to the possibilities of road development are the possibilities of sending farmers' produce into the city by parcels post. The fullest use of parcels post will necessitate a change in the present law, although the parcels post is now of inestimable value to the farmer in purchasing from stores, especially those within the first zone. The development of a postal express, the rates for which are based solely on the cost of operation and adequate return on investment, cannot but have in this country, as it has had in European countries, a definite effect on direct marketing, and ease of shipment of small packages.

#### CONCLUSION

Through more thorough development of freight service by steam roads, with particular attention to shipments of less than carload lots, through the development of trolley freight, through the increased use of the motor truck, and of the motor boat, through a complete system of good inter-county roads and through a postals express, a more efficient, cheaper and more complete transportation system can be created covering all the outlying agricultural area near each market. Such a transportation system will result in a marked advance in the economic well-being of farmers; will focus attention upon the possibilities of the farm; will help farmers adapt their output to the peculiar needs of their nearby city; decrease cost to farmer and consumer through direct marketing; increase purchasing power for the city's stores and manufactures; encourage the suburb and discourage urban congestion; and will bring lower prices and better produce to the city consumer. The city does not end with its boundary lines; it is as extensive as its purchasing clientele. Coöperation of city and country is essential to the happiness and welfare of each. Let city and country everywhere coöperate and the farmer and city dweller can both more largely sell and buy at home, thus encouraging mutual prosperity. Herein is a program worthy of greater civic effort.

# COÖPERATION AS A MEANS OF REDUCING THE COST OF LIVING

BY ALBERT SHAW, LL.D.,

Editor, *Review of Reviews*, New York.

The cost of living has been thoroughly discussed in all its bearings during the past few years, both in the United States and in Europe. Our economists have studied prices from the standpoint of the purchasing power of money. They have compared wages and salaries from like standpoints.

The subject relates itself to many changes of a profound kind that have come about during the past fifty years. First, the burden of abject poverty has been greatly lessened. I think that this is true everywhere. There is much less poverty, even in London, than when Mr. Charles Booth began his great study of housing and economic conditions. The improvement is very marked since Mr. W. T. Stead wrote for the late General and Mrs. Booth that astonishing study called *In Darkest England*. That was as recently as 1890.

Although New York has received such stupendous acquisitions of a new population regarded as of low economic condition—under circumstances which might have resulted in the most fearful overcrowding ever known—there is practically no poverty in New York City that amounts to a heavy and perplexing burden. The population is entirely absorbed in productive industry and commerce. There is no “submerged tenth” in New York, nor is there a submerged one-hundredth. The general condition of the people is decidedly better than it was in New York twenty years ago.

Average conditions would seem to have been improving in all civilized countries. There has been, however, such a rapid development of instruments and facilities—such as the instrument that we call “literacy,” for example—that the multiplying of wants has been much more astonishing and rapid than the improvement of conditions. There is a far wider distribution of current intelligence than there was even when I began my work as a journalist and editor. Every news-

paper publisher realizes the fact that now practically the entire population is one of newspaper readers. This was not true even twenty-five years ago.

Changed standards of living are giving the average family more house room, with a larger amount of window space and air content per individual. The average family has better food, in larger quantity and greater variety. The average family dresses better, and the differences between the ordinary daily appearance of the rich, the well-to-do, and the poor are far less now than at previous times. There is no marked distinction between the clothing of the office boy and that of the head clerk; nor is there much between that of the head clerk and of the partners in the firm. There has been no radical increase in the cost of living as respects the items of clothing and house rent, except that people dress better, and that they are not content with the kind of housing accommodation that they could put up with forty or fifty years ago. Wants have expanded with the growth of facilities.

These remarks apply more particularly to people in cities, towns, and good-sized villages. When it comes to that great population of the United States that still lives in the country and is engaged in farming, or closely associated with farm industry, the circumstances are different. In parts of the country, farm-land values have become very high. The distress of the farmers in the western half of the Mississippi Valley that prevailed twenty years ago has disappeared. At that time agriculture was staggering under an enormous load of farm indebtedness. Thousands upon thousands of farms were foreclosed in the states immediately west of the Mississippi River. Improvement in transportation facilities, and the demand for foodstuffs, have given a steadily high value to farm products; and the new soils of those states, virgin and unexhausted, have been able to supply large quantities of wheat and Indian corn, and of pork and beef. The recent prosperity of agriculture in the western half of the Mississippi Valley has been analogous to the prosperity of western New York and Ohio in the period from 1820 to 1850.

Such prosperity is of the kind that belongs to a preliminary period. It is essentially a pioneer affair. It is more or less the sort of thing that is now being repeated in northwestern Canada. Plenty of unimproved farm land is selling at higher prices in Alberta and Saskatchewan today than fairly good improved lands in advantageous neighborhoods are selling for in central and western New York, and in

Maryland and Virginia. These northwestern prices of land are simply based upon the assumed profits of raising a few consecutive crops of wheat, that can be grown before the phosphorus and potash in the soil are too much reduced.

So far as the United States as a whole is concerned, the most serious and important economic problem is that of permanent farming. We have individual farmers here and there in almost every part of the country who are farming under normal conditions. There are also certain counties, or smaller districts, where something like a proper standard of farming may be said to prevail. But taking the farmed area of the United States as a whole, it is well within bounds to say that only a small per cent of it is farmed in such a way that the soil is not gradually losing its power to produce. I do not say this in an alarmist way, for the tide is turning and the well-farmed acreages will begin steadily to increase in percentage.

We need not only larger and better farm production for the benefit of the growing millions of industrial workers in towns and factory centers, but we also need it in order to make country life itself sufficiently interesting and worth while, so that we may be able to keep an intelligent farm population. No small factor in the situation that has affected the cost of living is the lack of good farmers, due to the dreariness and unattractiveness of farm life and to the relative agreeableness of life in towns and cities, and in other pursuits. A vast number of farmers in our southern states are still living in log houses under conditions of squalor and discomfort. Many more are living in very small or ill-constructed frame houses. Millions upon millions of acres of land that ought to be well farmed are simply squatted upon, as in the days when this was a sparsely settled country and when pioneers lived by hunting and fishing as well as farming. We must needs industrialize agriculture. Farming must be put upon a modern basis and capitalized.

*Excerpt*

In view of the facts and conditions of agricultural life, I propose to discuss more particularly in this paper the possibility of a greatly extended use of the principles and methods of coöperation in farm neighborhoods, as bearing upon the general problem of food supply and the cost of living.

Suppose, for purposes of inquiry, we were taking a typical country township, 6 miles square, containing 36 square miles, with perhaps an average of 4 farms of 160 acres each to the square mile, or 144 farms,

with 700 or 800 people in the entire township. There is an enormous waste of possibilities from every standpoint in the way in which life is carried on. There is waste in the way in which roads are laid out and maintained. There is frightful waste in the way in which schools are distributed—typically, in the average township one for every 4 square miles—9 schoolhouses for the children of a total population of less than 900. A schoolhouse, in other words, for the children of every 16 families. There is enormous waste on the side of the organization of productive rural industry. There is wasteful investment in fencing. There is wasteful investment in machinery and in animal power. Each farmer feels that he must own practically all the machines that he would be obliged to have if he were living in remote isolation.

There is great loss on the side of expert knowledge in this given township. Some men are expert in their knowledge of horses, others in their knowledge of dairy operations, others in an understanding of the soil and its constituents, others in the problems of drainage, tillage, the selection of seeds, and the whole subject of crops. Yet the expert does not serve the community. You will find in this given township of 36 square miles, perhaps, that a quarter of the area is comparatively well farmed, a quarter of it very badly farmed, and a half of it rather indifferently farmed. When it comes to the marketing of crops, there is, as a rule, most lamentable failure to manage well.

What we must hope for, in a typical township of that kind, is a general improvement of conditions. We shall undoubtedly secure that improvement, and not by any one kind of remedy. In general, the social spirit must gain something upon the anti-social spirit of extreme individualism. One can easily sit down and invent a Utopian project for the complete reconstruction of life within the typical neighborhood area that I have indicated. But practical progress must take men as they are. The 100 or 200 independent land-owning farmers in a typical rural township cannot be made over into a communistic society, or into an amalgamated joint-stock company for the production of farm products. They can, however, through good leadership and public action, give themselves far better facilities in common. That is to say, they can unite with the county and the state in an improved road scheme, by means of which they can all be much better off. They can also use the improved roads to bring their children together at a central point, and substitute a well-organized consolidated school for the nine small district schools of the township.



In this central school they can have a neighborhood assembly hall, a neighborhood library, and various educational and social appointments for the welfare of the whole population. They can also have extensive school grounds, and carry on some really useful work in the practical and experimental teaching of agriculture. They can do these things, and still others, through official or governmental co-operation. They can, in other words, be collectivists to an increasing extent, and with advantage.

On the side of voluntary association, they can unite for the purposes of mutual fire insurance; they can come together in distinct coöperative societies for developing their dairy interests and marketing milk, cream, butter and cheese. They can specialize products according to conditions of soil, climate, and market, and can unite in associations for selling fruit, vegetables, grain, or animals. I am purposely suggesting these things in the most commonplace terms. Let it be said, with equal lack of phrases or verbal embellishment, that there is on foot a movement of this kind that is spreading all over the country, and one that means healthy progress and economic and social evolution, without having any of the quality or character of a revolution.

There are many hundreds of local farmers' coöperative societies in the United States at present, the work of which is proving most beneficent. The results, as measured by actual economic tests in dollars and cents, are appreciable. But the great result must be found in a study of the social and individual character of the human units making up the association. The tendency is to make intelligence available, and to help rapidly in bringing the poor farmer up to standards of the good farmer. The problems of soil treatment, crop rotation, seed selection, animal husbandry—all these things that have to do with farm production—are exceedingly complex. In our agricultural colleges and experiment stations, and in scores of farm schools, we now have hundreds of able scientific men making researches in all these fields, and endeavoring to disseminate useful knowledge, as fast as they arrive at valuable conclusions.

Their wisdom is eagerly sought for and applied by the better trained farmers scattered here and there throughout the counties and townships of any given state. The coöperative associations of farmers, in their various neighborhoods, give a means by which the best farm practice can be made common, instead of being the sole possession of the exceptional man.

I am not trying to outline a thing that would seem on its face desirable, but to describe the thing that is. The great movement is going forward with wise direction, particularly in the northwestern states. In the state of Wisconsin, for example, there is coming about a state direction and supervision of this farmers' coöperative movement that is so intelligent and so thoroughly grounded in practical and scientific knowledge that we may reasonably expect from it great results. There is now in Wisconsin a State Board of Public Affairs, which last year was directed by the legislature to make a study of the coöperative movement. This study has been made with reference to actual conditions in Wisconsin and adjoining states, and with full cognizance of all movements in Great Britain and European countries.

Its report has been adopted by the governor of the state, and made the basis of a message to the legislature conveying an elaborate bill which has been prepared as a result of the studies of the Board of Public Affairs. The object of the bill is strongly and brilliantly stated by the governor, the Hon. Francis E. McGovern. He finds a rapid rise in the cost of living coincident with the decline in rural population. He proposes, as a partial remedy, intelligent and intensive methods of agriculture, and the employ of more economical and up-to-date ways of buying and selling the things in which farmers deal, and, finally, in improving the social life of the country.

He points out the difficulties of the farmers in spending their money. In the purchase of things needed on the farm, he declares, country people have clung to the primitive idea of each one buying for himself, although in almost every case those who supplied them were combined into great industrial trusts. Thus farmers invariably paid top prices, frequently for very inferior merchandise. He proceeds to show that the farmers have also suffered because they have paid heavy toll to the trusts in the sale of their products. Ordinarily, he says, each one disposes separately of his own cattle, grain, or potatoes, as the case may be. Thus the quantity involved in each sale is necessarily small, and classification as to quality, for purposes of standardization, is out of the question. This is but another way of saying that as a rule when the farmer needs money he throws his product upon the market at whatever price it will bring.

This message to the legislature elaborates with some detail the circumstances under which certain standard products have been bringing the farmers from one-third to one-tenth the price that consumers

Dumping" )

in the cities not far away were obliged to pay. He finds no necessary antagonism of interest between the consumer, who wants the cost of living lowered, and the farmer, who demands higher prices for his products. High prices on the farm should mean greatly improved and increased production, with ultimate cheapening of the producing cost per unit. Improved business conditions for the farmer would mean a better kind of organized relationship between producer and consumer that would be of benefit to both. I myself have known instances within a few weeks past, where city people were paying at least 40 cents a dozen for fresh eggs, while farmers having considerable supplies to sell knew of no way to dispose of them except for 12 or 15 cents a dozen in an immediate local market. They could have been sent hundreds of miles by express at from 2 cents to 4 cents a dozen. Producer and consumer would both have been enormous gainers by an average all-around price of 25 cents a dozen, transportation cost to be equally divided.

*4 cents for producer  
and consumer*

Wisconsin's governor perceives that the adjustment of these relationships for mutual benefit may be regarded as a matter of high statesmanship. Why should it be made a question of theoretical argument about governmental functions, when it is declared that in a period of great social and economic need, affecting the well-being of the entire population, the people ought to use their own government as a directing agency? Everywhere it is now the accepted view that government ought to control and regulate conditions that affect the public health. Yet this is a principle conceded by not very many people as recently as fifty years ago. Within the memory of men now living, throughout most of the civilized world it was an uphill fight to gain acceptance for the doctrine that government might with wisdom and justice provide for universal intelligence by the maintenance of schools free for all children. We have gone so far now that the principle is generally accepted that government may even make school attendance compulsory.

One of the most ancient functions of local government was that of maintaining neighborhood markets for the distribution of food supplies. And it was the custom for peasant producers, on market days, to bring to the towns or village centers their various products and to dispose of them directly to consumers under the supervision of local authorities. We have, of course, the survival of those old customs as respects the distribution of a small fraction of the produce of market

gardens, and so on. But the primitive market system has been hopelessly outgrown. London is supplied daily not only from the entire area of the British Islands, but also from France, Denmark, Holland, and elsewhere. New York, Philadelphia, and Chicago derive much of their current food supply, their milk, vegetables, poultry, beef and mutton, from a distance of several hundred miles.

The organization of this business of producing, shipping, and marketing the fruits of the soil may well engage the best attention of the public authorities having to do with populations and areas as great as those of our individual states. It is this idea that has now taken such firm hold upon the best governing intelligence of the state of Wisconsin. It is seen there that the thing cannot be done merely by passing laws, but that it must be done by supervision and administration. Through county farmers' institutes and through great numbers of practical farm demonstrations, the states are uniting with the national Department of Agriculture in teaching the farmers how to produce more satisfactorily. It is the reasonable next step, to make the marketing of products a matter of practical statesmanship. The widespread popular interest in the study of coöperation, says Mr. McGovern, "justifies us in giving this problem our most serious consideration. But coöperation will not come of its own accord. Our own experience, and the history of this movement elsewhere, demonstrate this. There must be governmental assistance of some sort. At first this assistance will naturally take the form of education and legal authorization but it should not stop here. For some time to come the establishment of coöperative enterprises should be publicly supervised so as to avoid as many mistakes as possible. Just now the farmers of Sheboygan County are appealing to the state to help them establish coöperative associations for the marketing of cheese. The Board of Public Affairs and the University have responded as fully as their means will permit or the authority conferred upon them by law will justify. Present limitations in these respects are such that neither can go very far. But it would be cause for very great regret if for want of the right sort of assistance the people interested in this new venture should fail to organize upon the safest and soundest basis that can be devised."

The governor gives further illustrations as respects the marketing of grain and tobacco in his state. He reviews the rather haphazard inhibitions of Wisconsin statutes regarding trusts and monopolies.

He shows that these are merely prohibitory and negative. But he says the people of Wisconsin are entitled to know not only what industrial arrangements are forbidden by law, but also what contracts and associations are legally permissible or commendable. And they should be assisted in every possible way to avoid the one and promote the other.

They have in Wisconsin an industrial commission that deals with everything affecting the relation of employer and workman. They have also a railroad commission, dealing with everything that is involved in the relations of shipper and common carrier. The thing now proposed is an additional administrative board, to be called a Market Commission, dealing with the relations of producer and consumer. This new board is to have merged into it several existing commissions, offices, and bureaus, such as the Dairy and Food Commission, the Commission of Immigration, and the Board of Agriculture.

The bill transmitted to the legislature on March 17 is an elaborate one and most carefully prepared by men like Mr. McCarthy, chief of the Legislative Reference Bureau, whose familiarity with everything at home and abroad upon these questions is perhaps greater than that of any other living man. The measure has had the coöperation of the administrative authorities of the state, the economic scholars of the university, and the scientific and practical men of the College of Agriculture. The way has been so carefully prepared for it that its acceptance by the legislature is to be taken for granted.

This new board is to promote in every way the legitimate development and utilization of the resources of the state. It may, within reasonable limits, advertise Wisconsin. It may render available all such knowledge as that of the geology and soil conditions of any given area. It will protect and advise the home-seeker, and in all such matters its functions are the most highly and solicitously paternalistic. It shall give instruction and information in all possible ways on coöperative production, coöperative marketing, coöperative buying and coöperative distribution; upon efficient accounting and business methods; legal rights and privileges of coöperative enterprises; and all other matters reasonably necessary in promoting and assisting such organizations.

The statute, as I have already said, is very elaborate in its provisions in these regards. It also empowers the new board to supervise

existing city markets throughout the state and to assist in organizing and establishing new ones. A highly interesting part of the bill is that which defines, in a precise way, the practices that are to be deemed unfair and illegal. This commission is authorized and required to execute and enforce the provisions of the anti-trust laws. Here we have a direct means for protecting the farmers and other people of the state against the exactions of trusts and monopolies dealing in farm machinery, fertilizers, or other needful supplies. The people of the towns, in their capacity as consumers, are on the other hand protected against any possibly unfair exactions on the part of producers banded together in coöperative associations.

I am of opinion that we have in this Wisconsin bill the most remarkable public measure affecting both directly and indirectly the various phases of the so-called "cost of living" problem, that has ever been devised in this country. Wisconsin is the one state in the Union that is in every sense mature for this experiment. On the one hand, it has already developed the local coöperative associations until they number several hundreds and involve perhaps one-fifth of all the farmers of the state. On the other hand, this coöperative movement in Wisconsin has not been a merely voluntary affair going on without the cognizance or appreciation of the state authorities. It has had the direct help and encouragement of such agencies of the state as were in any manner empowered to be of use to it. The state is ready, therefore, for the larger and more complete experiment. It means a quickening and intensifying of agricultural production, a very much larger use of capital on business principles in farming, such as the coöperative use of tractors and large machines beyond the means of a small farmer. The opportunity is given for the individual farmer to devote himself more successfully to production, while becoming a modern business man, in association with his neighbors, through coöperative opportunities of marketing.

This kind of reorganization of rural life must obviously relate itself directly to the better organization of life in the industrial, commercial and market towns. There at once arises a clear opportunity for the rapid development of distributive coöperation in so far as the populations of towns are reasonably permanent. The vast growth of distributive coöperation in England, Scotland, and, more recently, in Denmark, Belgium, Germany, France, and Italy, is not to be regarded as of slight consequence in its bearing upon modern economic

problems. The vital thing in the economic relationships of men, as in all other relationships, is the spiritual element. Those things that make men hopeful, that stimulate intelligent and beneficial industry, that give some happiness and interest to life, are worthy of most respectful consideration.

There was a time when the trade-unionists on the one hand, and the Socialists on the other hand, sneered at the thrift and contentment of the people who had followed the Rochdale pioneers in the practice of distributive coöperation. The trade-unionists wanted men to be made happier and better by their own kind of crystallized class movement. The Socialists resented the idea that people should do as well as possible for their own welfare and comfort, while awaiting the more profound transitions of the future. They could not see that those better social arrangements toward which all wise and good people aspire can only come about as men make the best of present conditions. But they are growing wiser now, and the enormous expansion of English coöperation has gained for it a treatment different from the sneering of the Fabian socialist and the militant unionist of twenty-five or thirty years ago.

There is no possible reason why the working people of any highly capitalized industrial country should not be pragmatists enough to use trade unionism to maintain collective bargaining with the capital that employs them, for the sake of good wages and short hours. Nor is there any reason why they should not be pragmatists enough to join the local retail distributive society of coöperators. Furthermore, there is no conceivable reason why they should not be at once trade-unionists, members of coöperative distributing societies, members of coöperative home-building associations, and at the same time members of radical collectivist, or even Socialist political parties, looking to a future transformation of the state in accordance with socialistic dogma.

They begin to see things in this light in England, and particularly in several of the continental countries where Socialists and Social Democrats have formed coöperative societies, and are doing very well upon the English plan. Agricultural and distributive coöperation is a large factor in the recent transformation of Denmark, and it is proving an agency of great value in the rehabilitation of Ireland. The millions of members of local coöperative societies in England, became long ago federated in such a way as to maintain wholesale societies

existing solely to supply the "retails." These wholesale societies, in turn, have found by experience that they can best obtain their supplies of standard articles by owning their own factories and creating what they need in quantities adapted to meet their requirements.

Thus the factories owned by the wholesale coöperative societies of England and Scotland are now in several lines the very largest in the United Kingdom. These factories are not instances of productive coöperation upon the part of the workmen engaged in them. They are not owned by their own operatives, but by the wholesale distributive societies. The workmen in these factories enjoy the standard wages, hours, and conditions of trade-union men. They are presumably, on their consuming side, members of local groups of distributive coöperators. The conditions of production nowadays do not seem to favor, on any large scale, the so-called productive enterprises in coöperation.

Many years ago I made myself the exponent and historian of some interesting groups of industrial coöperators, particularly coopers, in the great flour-milling center of Minneapolis. Coopers did not require much machinery or investment of capital. These associations of journeyman coopers were remarkably successful. They took a casual form of labor, and distributed it evenly through the year, improving in every way the industrial and moral condition of their members. They lasted for a good while, and hundreds upon hundreds of men entered these shops as coöperators, remained a few years, and passed on into agricultural or other pursuits in the northwest.

The shops were for those men a school of life. Speaking in general terms, they were transformed from being careless, anti-social devil-may-care young journeymen, into being responsible intelligent citizens, with a community spirit, sobered by the fact that they were joint-owners of a factory and accountable for the execution of important contracts. Some thousands of men, during a period of years, were beneficially connected with these coöperative enterprises. What does it matter if changes in the conditions of production have superseded those guilds of coopers who were at once masters and journeymen? That form of organization was exceedingly good while it lasted, and its members passed out into other economic relationships as from the best possible kind of training-school.

The great value of the widespread coöperative enterprises of Great Britain and the continent of Europe consists, after all, in this



one thing: that they are helping some millions of families to live a happier and better life, less baffled and bewildered by modern problems, more kindly and neighborly than otherwise they would be, better fitted to meet intelligently and successfully the great changes that must come from the opposite direction in the structure of the social organism. The training that English workingmen have received through their coöperative societies prepares them for making the best use of large social-reform measures, such as the insurance and pension schemes of the general government.

In our own country, let me say in conclusion, as at the beginning of these very cursory remarks, I believe the coöperative organization of farm life to be the most crying need, and that the more rapidly it can be brought about the better will be the opportunity to bring economy and thrift into the family budgets of industrial wage-earners and people of small salaries in the towns and cities. Speaking broadly, I believe the largest factor in what is called the increased cost of living has grown out of the astounding expansion in the wants of the entire population. The luxuries of the few have become the necessities of the many. We are still facing the fact that a fundamental remedy lies in larger and cheaper production, particularly of food supplies, and no small remedy lies in the more perfect organization of distribution and exchange. I am in full sympathy with those who would look very carefully to the purchasing power of the dollar and the problem of monetary standards. Social conditions in the main are improving. That is why the situation permits a comparatively close analysis, and the application of further remedies.

## ADVERTISING AND THE HIGH COST OF LIVING

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In discussing the relation existing between advertising and the high cost of living, it is necessary to consider three factors: first, what is the justification of advertising as a selling force; second, what are the present effects, either good or evil, of advertising as related to the high cost or to the high standard of living; third, what are the remedies of present evils as related to the high cost or to the high standard of living.

From an economic standpoint it seems almost needless, in our day to discuss the value of advertising. The business world takes for granted that advertising is absolutely necessary in the successful growth of any concern. But deeper than the mere economic fact that publicity has been a power in the development of large business concerns, lie the more fundamental psychological principles which make advertising so important a factor. Because people have a tendency to become fixed in habit; because people have a tendency to observe tradition and precedent rather than always to be reaching out after that which is new; because people as they grow older are non-plastic rather than plastic in their acceptance of that which is new; because youth needs to be educated with respect to what is good and bad, what is desirable or undesirable, what is useful and what is attractive: then, because of habit on the part of those who are older, and the need of education for the young in their early environment, advertising is a necessary force in the distribution of goods.

Those who sold washing machines in the beginning found it quite difficult to take people away from their old fashioned tub; when Gillette first advertised his safety-razor he found it difficult to get men away from the old-fashioned razor; and the history of almost any article shows a tendency on the part of the masses to reject what afterwards became an absolute necessity. The force which gets people out of their old habits and compels them to accept the more reasonable or the new—this force is readily recognized as characteristic of adver-

tising. Thus, because of the conservatism of mankind with respect to the new or unknown, advertising must be accepted as one of the influences which continue our progress in the growth of a "thing realm."

If we are justified in saying that advertising has a psychological basis and is, consequently, a necessary factor in the development of our appreciation of a thing world, it then becomes necessary to analyze certain effects of advertising. First, it might be said that advertising has been a factor in the tremendous growth of many concerns. This growth has resulted in a feeling on the part of the community that big business is a dangerous thing, for big business means the crowding out of the less successful competitor. It means that the masses of the people are buying goods of the larger concerns at the expense of the smaller, and this transition from small business to large business has brought its economic problem as manifested in an attempt at government regulation. In the second place advertising, apart from the idea that business is big, has somehow or other compelled the masses to cry out with the statement "Why do things cost so much," and they answer, "Partly, because of advertising." And advertising is best reflected in large business.

Before considering this statement, however, let us analyze the public mind in its attitude toward the general notion, "The high cost of living." What is actually meant by the statement "The high cost of living?" This is a question that is under discussion in every social group. Rich and poor, in one way or other, feel its significance. But all classes of society are not regarding the statement—"high cost of living"—in exactly the same way. For instance, a man who is earning \$20 a week and is supporting a wife and three children, and who has the ideals of a workingman, justly complains about the high cost of living on the basis that eggs are 40 cents a dozen, butter 50 cents, and meat is running as high as 24 cents. He has a family budget. He finds that at the end of the week he cannot give to his family the necessary things for a decent existence. He raises a cry of indignation and protests.

On the other hand the man who is earning \$2,000 a year, or even \$10,000, also complains about the high cost of living. Does he object on the basis that potatoes are costing 40 cents a peck, that gasoline is 21 cents a gallon, or that books are selling at \$2 which are in reality worth only \$1.25? His judgment regarding the high cost of living has an entirely different mental background. He is one whose

sensitiveness with respect to living is highly developed. Things which to the workingman are a luxury, have become to him an absolute necessity, and so rapid has been the increase of things necessary for the completest enjoyment of a human life that this high salaried man finds it impossible to enjoy these better things without entirely depleting his yearly budget.

Thus I would analyze the high cost of living in these two aspects. One where the very necessities of life cost more than the individual is able by means of his weekly earnings to pay for; the other, a notion of a high standard of living, or, in other words, a desire on the part of an individual to possess so many of the good things of life that his pocketbook is likewise depleted in the purchase. This analysis forces us to a serious consideration of the significance of things in our life. Is it wrong to desire to live fully? Has advertising sinned when it encourages me to open up a credit account and by means of it live six or eight months ahead of my time? Is advertising wrong when it attempts to force every one into a greater appreciation of this "thing realm?" The good old question arises, are things made for profit or are things made to be used? If things are made only for the profit regardless of humanity, then our advertising is to be justified on the basis that a single class benefits. If, however, things are made to be used and the world has a right to demand those things which can be made, then advertising as an educational force is to be justified in favor of the mass. In either case, we see that, for progress in our ideal, advertising is a necessary factor.

Again to criticize certain phases of publicity, a competitive advertising system has had a psychological effect in the creation of desire and habit with respect to the purchases of many articles which prove useless. Advertising as a force renders itself to the play of the imagination, to the bizarre and to originality. And people are often involved in an exchange of values which are needless or wasteful. In spite of advertising we need to realize that new things are not needed with every change of season; fads are not necessary in order to be considered an up-to-date member of the community. Advertising sins when it attempts thus to mislead people. And yet the advertiser is in part subject to these very whims and fancies of people in order to sell his goods. When people become scientific in their buying, the advertiser will become sane in his production and sane in his sale of an article. Again, the installment plan en-

couraged by excellent advertising lures multitudes into the purchase of luxuries the expenditures of which drain the family budget.

False judgments are often formed in the minds of people by the extravagant use of English in such phrases as "Just as Good," "Bargain Day," "Remnants." These false judgments, however, are giving greater significance to the word guarantee and are tending to produce closer relations between producer and consumer. The middleman is already beginning to feel a part of his profits going to the consumer.

The question now arises, in what way does this advertising affect the cost or the high standard of living? Does the consumer pay for this advertising? Many of us interested in the direct force of advertising, as such, believe advertising not to increase the cost of an article. I am led to believe that advertising is the faith element in the business world, which, somehow or other, changes the conditions of the business world such that every one has more than he had before. Advertising is a creative element whose factor results in greater happiness or in the possession of more things. We might put it in this way. A father spends \$3,000 or \$4,000 in the education of his son at a university. Does he feel that by this procedure he has deliberately thrown away \$4,000? On the other hand, is it not true that he feels his son to be a more valuable member of society, capable of greater earning capacity, and worthy of a higher place in life because of this peculiar training? In the same way if goods are to be used, if goods mean increased happiness to mankind, if life would be less progressive because of the elimination of a single thing, the force which brings these things into possession of mankind certainly should not be counted as an element which is to be figured as a cost loss, but really as an element which makes possible the possession of that which brings increased happiness. Advertising thus becomes a factor whose emphasis is related to the intrinsic value of a thing. The real problem which it thrusts forth is that which compels an analysis of the significance of big business.

Whenever mankind *en masse* agrees to accept the proposition which has been promoted in the form of advertising, the history of certain articles shows a tendency for the article to decrease in cost in order to meet the universal demand. The universal demand is, in part, checked by the amount of money which the mass has to spend. It seems, however, that advertising as an evil force should be associated with non-ethical and extravagant business men. This has

resulted in an actual increase in price to the consumer. Even here, advertising, primarily, is not the cause of the increase in price, only as it has possibilities of creating a demand for the article, but it is merely the means of realizing a greater profit on the part of the seller, due to increased business. For instance, Gillette sells his safety-razor for \$5. It is stated by many with whom I have conversed that the actual cost of the razor including the manufacture and advertising, is at the very most, \$1. However much this might be objected to, the price is exorbitantly high. Wise advertising has created a demand for the article, but it is the patent law protecting the right of the patentee in doing away with competition, and the lack of other laws to demand that a manufacturer be assured only a fair profit which makes possible the high price of a Gillette safety-razor. Millions of people shave. The companies which supply razors are comparatively few in number. There is enough business for all concerned. All tend to keep up the price of razors. Advertising causes a certain variation in trade, but advertising is not the direct cause of the high cost of the Gillette safety-razor. Lack of competition and a non-ethical mind is the real cause, realized, however, by means of advertising. We must constantly bear in mind that advertising is a positive force and unless wisely directed is productive of harm. It is this harm which we must learn to recognize in its various forms.

When women go to shop in John Wanamaker's store, they actually have sent home a 10-cent article. If a woman who is rather uncertain in her choice of a winter coat or is disinclined to make an immediate purchase, Wanamaker's system of selling is such that several cloaks are sent to the woman's residence. Mrs. "X" likewise has Strawbridge and Clothier send out cloaks, and not content with this choice, she asks the same thing of Snellenburg. After two days of careful inspection, she selects a \$25 cloak. This is typical of the effect that advertising has with respect to the courtesy of a store. When this kind of a transaction has taken place, undoubtedly advertising is the cause. The consumer is actually paying the costs. Waste is here applied and is due to competition.

When I purchase Colgate's shaving stick at 25 cents, contained in a most sanitary metal cup, and I am forced throughout the year to purchase a metal cup every time I purchase the shaving stick, so that at the end of the year I possess some five or six metal cups, there is waste. This waste has been paid for in the cost of the stock. Advertising has induced me to purchase the soap.

If it is possible for a woman to purchase food in bulk at a cheaper rate than when the same has been put up in packages, she has undoubtedly saved money; an advertising cost has become eliminated. On the other hand if it is more hygienic to possess articles of consumption coming in boxes or cases, advertising is not a factor to be considered.

Thus it might be said that advertising is a force which has helped to make possible the monopolization of certain articles. When the concern has been ethically inclined, increased profits have tended to encourage a decrease in the price of an article. When, however, human nature has been subject to greed and law has not intervened, advertising has been a means by which the consumer has been forced to pay more than he should pay. Advertising in its correct sense is a force creative in nature in that it opens up greater possibilities, the evils of which consist, not in itself as a force, but in the unethical relationship existing between it and the individual wielding its power. The high standard of living is to be justified. A desire that all of humanity enjoy the good things of life is the very basis of continued progress. Advertising might be considered generally to make possible new economic conditions with a tendency for large business to decrease the price to the consumer, while specifically it reveals examples of flagrant misuse of its power at the expense of society. A scientific analysis of each advertising campaign with respect to technique and the question of economic distribution will reduce the present waste, and this is what every honest advertising man is at the present time struggling for. To be specific, science will tend to reduce the size of many large advertisements; science will analyze and discover shorter methods in reaching the consumer; science will insist upon a regard for the law of diminishing returns as applied to any advertising campaign.

The question of advertising as related to the high standard of living is a social problem and must needs be met by a social conscience which makes possible possession of all things by all people in so far as these things are necessary for the development of mankind. It also implies, under a competitive system, that classes of society be taught how to spend their money sanely. Efficiency in spending is as necessary as efficiency in earning. The specialist should teach us how to live up to the ideals of the particular class of society to which we belong.

## THE INCREASED COST OF PRODUCTION

BY EVERETT P. WHEELER,

Chairman, Law Committee National Civil Service League, New York; Chairman,  
Committee American Bar Association on Remedies for Law's Delay.

Many causes for the increased cost of living have been assigned. No doubt many have combined to produce the result which we are considering today. Perhaps sufficient attention has not been paid to one of these, that is, the increased cost of production.

I had the good fortune once to examine Mr. Thomas A. Edison as an expert in a case relating to the ownership of his quadruplex patents. In the course of his testimony he uttered this profound truth: "The simplest things are always the best and the last to be found out."

As I have studied the increase in the cost of living it seems to me that this statement of Mr. Edison's is most applicable. The simple explanation of the increased cost of living is that the cost of production has increased. Let me call your attention to two subjects in which this is particularly true: the increase in house rent and in the price of meat.

First, in the matter of rent, let us deal especially with the rent of apartments in tenements in the cities. In 1860, a workingman could get as comfortable rooms in New York City for \$8 a month as he now can for \$16. The reason for this is mainly that the cost of building has greatly increased. This increase in the cost of building is due to two causes:

The increased governmental requirements in reference to the character of the buildings. Take for example the tenement house act of the state of New York which became a law April 12, 1901. The second chapter of this relates to protection from fire. Every tenement house is required to have a fireproof fire escape. In the construction of five story tenement houses the first floor above the cellar must be constructed fireproof with iron or steel beams and fireproof flooring. Many other requirements provide for the safety of the occupants



which time forbids me to state in detail. All these reforms are enforced by governmental supervision. They all cost money, and the landlord must get a percentage of this cost out of the rent. The third chapter relates to light and ventilation. The first section of this is as follows: "No tenement house hereafter erected shall occupy more than 90 per cent of any corner, or more than 70 per cent of any other lot. The height shall not exceed by more than one-half the width of the widest street upon which it stands." The light and ventilation of the rooms are minutely regulated and the amount of space to be allotted to each apartment is determined. Compliance with these requirements of law cost money and this inevitably comes out of and increases rent. The fourth chapter contains many sanitary provisions. Every tenement house must have in each apartment running water. Water closets are required. Very strict requirements are made in regard to repairs.

Now I do not at all assert that any of these requirements are unwise. What I do say is that they involve expense and that the interest on this expense necessarily increases the rent of the property.

Another cause of the increase in rent is the great increase in taxation in cities. This is caused by increased public requirements. The amount of water used per capita has greatly increased. The streets are better paved, better lighted and better drained than they were fifty years ago. All these expenses are paid for by direct taxation upon the land. Practically the entire cost of administration in the cities of the United States is paid for by land tax. It is true that we are beginning to derive considerable revenue for our cities from public service corporations who exercise their franchises within the city limits. Also experience shows that the city piers and docks can be so managed as to yield a revenue which will pay the interest upon their cost and provide a sinking fund to pay the debt incurred in their construction. But nevertheless, it does remain true that up to the present time much the larger part of the city expenditure is paid for by direct land tax. This necessarily adds to the cost of property and necessarily increases the rental of it.

There is a third cause of the increase of rent which is perhaps even more effective than the two causes which I have mentioned already. That is the tariff. I have often been asked how it is that the tariff increases rent. My answer has always been, and no one has ever been able to challenge the correctness of the answer—it increases the rent

by increasing the cost of construction of the buildings for which the rent is paid.

Some years ago I had occasion to build four tenement houses in New York City. I found that there was a tariff tax upon all the materials that entered into the construction of the houses. Stone, brick, lime, plaster, the lead pipe and the brass work of the plumbing, the hardware of the windows and the doors, the tin plate with which the roof was covered. In short not one item that went into those houses was on the free list. I made a computation of the effect of this tariff tax upon the cost and found that I could have built five houses for the same money if it had not been for the tariff tax upon the materials which composed them. I am willing to admit that when I built those houses I had some consideration for the comfort and convenience of the people that were to live in them. In short, I aimed to make them according to my light at the time, model tenement houses. This I am well aware is not commercial and I only mention it to guard against the charge that a landlord is necessarily entirely commercial in his plans and operations. But at the same time I did build them for an investment and in fixing the rents I sought to obtain a reasonable and legitimate rental. Had I been able to build five houses instead of four, I should not have charged any more rent for the five than I was obliged to for the four. In other words, the rent of each apartment, if I had built the five houses, would have been one-fifth less.

Again, in stating this as the cause, I am not arguing whether a high tariff is or is not wise legislation. All I at present maintain is that it does tend to increase the cost of house building because it increases the cost of the materials of which the house is made, and therefore compels the owner to ask a higher rent if he is to get a return for his investment.

And now I come to the increased cost of meat. Here we have the relation of cause and effect quite as marked.

In the year 1885, the conditions of the cattle industry in the United States were these: There were great tracts of government land in Nebraska, Wyoming and other states west of the Mississippi which were used as ranches. The ranchmen paid the government nothing for the use of these wild lands. They were open to the public and were used by the ranchmen for the raising of cattle both for beef and mutton. In order to prevent the cattle of one ranch straying to

another, it was necessary to do some fencing, but otherwise the cost of production for beef and mutton from these ranches was a minimum. Thereupon some well meaning people raised loud outcry against what they called the cattle barons. The owners of these ranches were undoubtedly making money and that was a grievance to many well meaning people. Even those reformers who keep the eighth commandment—"Thou shalt not steal" may be violators of the tenth commandment—"Thou shalt not covet." It is very certain that envious eyes during the year 1885 and prior thereto, were fixed upon the fortunes which were being made by the proprietors of these ranches. Undoubtedly also there were many persons who were free from this particular sin who yet thought it desirable that all these wild lands should be divided up in small plots, and sold to settlers. But they did not consider that necessarily such a change in the occupation of the land would increase the cost of producing beef and mutton which most people think are essential to health and comfort. Accordingly in the year 1885 Congress, upon the urgency of the reformers, passed an act prohibiting the enclosure of any public lands. It gave to the United States government the right to bring action to enjoin persons from maintaining such enclosures and to ask for an order of the court that they should be removed. The fifth section, which seems to have been an afterthought, is much more stringent and seems to dispense entirely with the second section. This authorizes the President to remove these fences by military force. Now our President in the year 1885 was Grover Cleveland. He was a person who believed in enforcing the laws and when this act of Congress was passed, he did enforce it. The result was that some of the large ranchmen who had made money for themselves and benefited the public by raising cattle on these wild lands of the west were driven out of business.

After a time the enforcing of this particular law was somewhat neglected. The business of ranching developed, but still many difficulties were thrown in their way and one difficulty, which possibly the framers of the act did not foresee was this: You are all aware that the government surveys lay out lands in squares, sections and quarter sections, like the squares of a checker board. Land grants of alternate sections had been made to the great lines of railroads running east and west. The sections not granted remained in the ownership of the government. The government officials after a while were advised

that it was not lawful for the owner of one of the sections which had been granted to the railroads, and which had been leased by them to cattle men, to fence up his section, because that would interfere with the access to the government section. Obviously it would. If you will imagine a checker board, and undertake to put fences around every alternate section, you will at once perceive that they will be an obstruction to all the other squares. In short, as long as a man owns land adjoining a neighbor's land, whatever fence he puts at the border of his own land will be a line fence to his neighbor.

Then the lawyers, who are often charged with endeavors to evade the law, were called in by some of the ranchmen and asked if the law would prevent their leasing contiguous government lands and fencing the whole parcel. The lawyers advised that every citizen had the right to lease land belonging to another and that if it was right to lease one tract it was right to lease one hundred. Accordingly some of the ranchmen who were in the business of raising cattle and selling beef to the Chicago market, undertook the crime of leasing numerous sections of land which they had induced numerous individuals to take up under the homestead acts. They were indicted for a conspiracy to defraud the government. In this case it turned out that the courts did not agree with the lawyers. The federal court held that inasmuch as a combination was proved to lease numerous tracts of land and bring them all into one ranch and as the evident policy of the law was to compel the use of the lands in small parcels by individual settlers, this action of the ranchmen was a fraud upon the government, and they were convicted and sent to prison. One of them, who was one of the most prominent and most successful of all the cattle raisers in the west, died there.

Now it does not need any argument from me to show that this course of legislation and administration by the United States government from the year 1885 to the present time has operated to increase the cost of production of beef and mutton in the United States and to increase the price to the consumer. One would think in view of this well defined policy of the United States government that the consumers should have had influence enough, since the government was opposing the raising of beef and cattle on a large scale in the United States, to put beef and mutton on the free list so that we could import them freely as England does from the countries that have not such policy. In Australia and the Argentine the cattle are allowed to roam on the great plains and live upon the herbage that grows there. The

cost of producing beef there is reduced to a minimum. But it has long been the policy of the United States government, in order to increase the cost of beef and mutton to consumers, to lay a tax upon beef and mutton imported from the Argentine and Australia.

Now again, I am not criticising the legislation. Each class of enactments had a distinct and definite purpose. What I do criticise is the folly and shortsightedness of the American people in not perceiving that the inevitable effect of this legislation would be to increase the cost to the consumer.

Some statistics on this subject may interest you: The value of cattle on farms in the United States on January, 1907, was \$72,500,000; in January, 1912, it was only \$58,000,000. Between 1900 and 1912 the supply of beef cattle was reduced 28 per cent; the population increased 25 per cent. In 1904 we exported 593,000 head of cattle, valued at \$42,000,000; in 1911 we exported 150,000 head of cattle, valued at \$13,000,000. In 1901 we exported 351,000,000 pounds of fresh beef and in 1911 we exported only 42,000,000 pounds of fresh beef. You see how effective our restrictive laws have been.<sup>1</sup>

There is another change in legislation and in public sentiment which has greatly increased the cost of production to which I finally call your attention. I am now one of the veterans. In the days of my youth one of the prominent topics on the platform, in the press, and in the public schools was the dignity of labor. This was considered a distinctive American principle. Many a time have I heard the visitor who came to the public school which I attended, or the principal who occasionally himself addressed us, point out how glorious was the country where labor was respected, where the workingman was honored, where anyone who was honest and industrious could save money and improve his condition, and that of his family by honest hard work. But during the last generation all this is changed. Nobody hears such language anywhere. The whole tendency of legislation is to shorten the hours of work. The United States government has been directly prohibited by statute from permitting any person, however desirous he may be, to work on any government employment more than eight hours a day.<sup>2</sup> The same rule is being applied in some

<sup>1</sup> *Year-Book*, Department of Agriculture, 1911, p. 638.

<sup>2</sup> Act of June 19, 1912, *Pamphlet Laws*, p. 137. "No laborer or mechanic shall be required or permitted to work more than eight hours in any one calendar day, upon such work."

of the states to all employers. And when religious people get together in convention they often give ear to this seductive siren. You will observe that all this is quite different from the teaching of St. Paul. His is altogether old fashioned and out of date. He was a strenuous man and his conception of the good Christian was that he also should be strenuous. He admonishes his converts "not to be slothful in business, but to be fervent in spirit." When he describes in pictorial language the active and successful Christian, the image he takes is that of a soldier or an athlete. In his epistles there is no talk of eight hours a day but of accomplishing the end you have in view. But on the other hand when some religious people got together in a convention at Chicago a couple years ago, which they called a "Federal Council" they made one of their planks—"the gradual and reasonable reduction of hours of labor to the lowest practicable point and for that degree of leisure for all that is the condition of the highest human life." I had always supposed until I heard this deliverance that leisure was not the condition of the highest human life. That if it were, the people of the South Sea Island whose climate dispenses with the necessity of much clothing and who find food growing wild quite sufficient for their needs, would have obtained the highest eminence of humanity. This, however, is not true in point of fact. We all of us know that the highest human life has seldom been attained among the wealthy and leisure classes. Almost all of our great men worked their way up from the ranks and struggled strenuously in boyhood and in manhood with no thought of reducing their hours of labor to the lowest practicable point. Now it may be that these new lights are right; that all our old American ideas were fallacious and that Abraham Lincoln, Grover Cleveland and Robert Collyer, if I may refer to a distinguished clergyman who began his life as a boy in a blacksmith's shop, would have attained much greater eminence if they had been brought up in ease.

There is another tendency in some quarters which is not embodied in legislation but which has already attained considerable force. That is the syndicalist movement. This is distinctly a destructive movement. It is an avowedly destructive movement. Syndicalists aim to curtail the output of coal, to put boilers out of order, to short-circuit dynamos, to destroy cables. They do not even pretend to observe the rules of civilized warfare. All this I take from an article

by one of them, Andre Tridon, which was published in the *Independent* on the ninth of January. This article was approved by three others of their leaders W. D. Hayward, Frank Bohn and Joseph Ettor. Any one who has studied the writings or actions of the leaders of this movement in France, Germany, in England and in America is well aware that this statement expresses the sentiments and action of the organization perfectly.

Here then we have in our modern civilization a large and powerful organization whose aim is to destroy. The direct effect of the destruction is to increase the cost of living. It is this simple proposition that is constantly being ignored. We do not live on money. That is simply an instrument of exchange. We live on the product of human industry. The more of this product is destroyed, the less there is left. The direct effect of destruction is to increase the price of whatever remains. A curious instance of this, as I happened to learn in the course of my profession as a lawyer, is to be found in the Franco-Prussian war. The effect of the fighting in France was to break at least half the window glass and a great deal of the china and crockery in a large part of that country, which was overrun by hostile troops. The result of this was that after that war the factories of glass and crockery were taxed to their utmost capacity and they were unable to fulfill many of the contracts of delivery which they had made in this country, and the price of window glass and crockery went up, not only in France but in the United States.

There is no way to diminish the cost of living except to diminish the cost of production and whenever legislation is proposed which tends directly to increase the cost of production, we should ask ourselves, "Is the injury which is certain to come from this legislation more than compensated by the benefits which will accrue?" If it is we will accept the injury in consideration of the benefits. But in any case let us not act like spoiled children and cry because we cannot have any more of the cake that we already have eaten.

## THE FARMER'S SHARE IN THE HIGH COST OF LIVING

BY MRS. EDITH ELLICOTT SMITH,

President, Pennsylvania Rural Progress Association, Pennsdale, Pa.

Among the myriad reasons given for the high cost of living it was common sometime ago to hear that lessened production due to a supposed decline of agriculture was one of the chief reasons. Advice was also given that more persons should engage in farming for the purpose of increasing the product. It has now become known that there is probably enough produce raised, or nearly enough, were it made possible to market the product so as to prevent waste. This preamble leads us to a consideration of the whole question of the farmer's share in the high cost of living.

It is not my purpose to present to you an economic study of the far-reaching problems of the city and its markets, but to transplant you briefly to one little corner of the land and let you catch a glimpse of the concrete problems which some of us are facing who are living on the land.

While city people are complaining of the high cost to them of all that the farmer produces, the farmer on the other hand has much ado to get any profit out of the business he follows. The report of the Country Life Commission calls attention to the fact that agriculture is not commercially as profitable as it is entitled to be for the labor and energy that the farmer expends and the risks that he assumes; and it is true that the farmer always produces on the closest margin of profit. Were the manufacturer to produce on an equally close margin of profit he would still not have the weather to contend with or the lack of proper market reports. The manufacturer has his daily market reports so that he knows how to dispose of his product. This is one of the elements of uncertainty and loss to the farmer's business.

There has been a steady decline of agriculture in the east near the large cities. It is hard to believe that agriculture would steadily decline in the face of an enormous appreciation of the cost to the



consumer of all farm products were there not some powerful disturbing factor operating to deny the farmer the benefits of that appreciation. That which diverts the profits from the farmer and puts the burden on the consumer are all the intermediary forces operating from the time the produce leaves the farmer's hands to the time it is bought by the consumer.

Every farmer no matter how small his farm runs the whole gamut of the problems of production and distribution. Every time he has a crate of eggs to dispose of he must decide whether he will trade them in at the local store at the lowest possible price or leave his farm to go and hunt a market. Every time he has pork to market, every time he has grain to dispose of, it is the same. In some sections the only market reports he has to depend upon are the newspapers, and he ships a carload of cabbages or fruit to market only to be told that the market is glutted and his crop which represents months of work, a total loss. Therefore there are many sections of this state which are highly productive where people take good care not to raise more than they can dispose of to their next door neighbors.

In discussing the economics of the whole problem I do not propose to go into the abuses of the system which now prevail and which all society must eventually unite to solve. What I propose to do is to help you realize the farmer and his puzzles, to realize what a complicated business farming is.

If a man owns a farm and he decides he will go into farming, he must consider the following things: Climate, soil, topography, transportation, distance from the railroad, market demand and supply, relation to competing type of farm, price of land, how much capital he has, how good his credit is, what his labor supply will be, what sort of farming is customary in that community, what insects, diseases and weeds he will have to contend with and how long he can afford to wait to realize on his investment. All of these things must be considered or he is likely to have to consider them later when it is too late.

When I started to develop my farm I had to ask myself what industry or industries it was best suited to. In looking into the question I found some astonishing figures which in large measure explain the steady decline of some industries in the eastern states. I asked myself "Why not raise hogs?" I found that there had been a steady decrease in the number of hogs raised on eastern farms. It takes 30 bushels of corn to raise a 300-pound hog. It costs Iowa farmers

\$14.10 to feed this hog. It costs the Pennsylvania and New York farmer \$21.90 or \$7.80 more because corn is worth 73 cents a bushel in New York and only 43 cents a bushel in Iowa. These figures are for a five-year average. Iowa farmers can raise hogs and pay freight on them to New York City and make a profit and sell cheaper than the eastern farmer with his close-by market, on account of the cost of corn. What is more it is a better hog because it has been fed corn and not ensilage and slop. There is a general economic law that you must produce your product where the raw material is cheapest. In the east hogs are raised as scavengers or for home use, or to supply stock, or for pleasure by new recruits who have money.

Again the would-be farmer asks himself, "Shall we raise steers?" and again he must compare what he can do with what can be done in Iowa. Every steer must be pastured two summers and pasture is cheaper in New York than Iowa but hay is much dearer. Two and a half tons of hay would cost in Iowa \$21.45, in New York it would cost \$36.77. Eighty-nine bushels of corn would cost in Iowa \$41.83 but in New York it would cost \$64.97. Thus the total cost of producing a 500-pound steer would cost in Iowa \$83.28 and in New York \$111.74 in spite of the fact that pasture in New York is one-half as cheap as in Iowa. A 1000-pound steer when grown would cost in Iowa for the corn alone \$84 and in New York for corn alone \$130. Therefore, east of the Ohio the raising of steers on our farms is practically eliminated. As a result beef raising has been discontinued almost entirely in the east and the raising of sheep also.

The question arises for every farmer on every eastern farm what then shall he raise in order to obtain an income. Butter-making is going to the region of cheap feed and farmers in the east are selling milk instead. Milk being bulky and perishable must be raised near market but the production of milk is also a hazardous business since the consumer insists upon a bacterial count at the minimum and a price also at the minimum. As the bacterial count decreases the cost of production increases and thus the consumer does not seem to understand. Cheap milk is ever the cry. Of 250 farms surveyed in New Hampshire about 81 per cent were dairy farms and these were losing money. The losses on dairy farms come about through the high price of labor and the high cost of feed. The labor employed on dairy farms is expensive and unless you have other industries to employ the milkers your farm labor is too costly. When a dairy farm is successful it sells other things besides milk.

Figures from seventeen successful farms in New York state with labor incomes of from \$3,000 to \$9,000 prove that all of them had three or four lines of production each bringing in \$500 or more. Beside raising milk, they sold poultry and eggs, hogs, pure bred live stock, truck and perhaps some grain. In this way alone can dairy farms be made to pay. Your milk farm with no side lines is almost invariably a failure financially.

We are all familiar with the following quotation, yet every agricultural paper can duplicate it. "A bushel of beans for which the producer in Florida receives \$2.25 with a transportation charge of fifty cents for the 800-mile haul should not cost the consumer \$6.40 per bushel. The producer receives 35 per cent of the final price, the transporter 8 per cent and the dealer 57 per cent. This is not a fair division. The problem is not one of trusts, tariffs and other Washington matters, but simply one of providing straight and cheap ways open from all gardens and farms to kitchens and tables."

This path we farmers are searching for. We would like to come directly to you with our produce. We would like to put our poultry and eggs, our cream and butter directly on your dinner tables, and we would like to receive some remuneration for the risk and effort it has taken to raise these eggs and poultry, this cream and butter. When we heard of the parcels post we believed this would give us a direct means of reaching you with our products, but we have learned better, and the zone of the parcel post walls you in and walls us out as effectually as did ever the express company. Thousands of crates of eggs are traded in at every country store, thousands of broilers sold as fowls at 6 cents per pound all because the farmer cannot get at the consumer and the consumer cannot get at the farmer.

I think you will agree that the farmer has no share in causing the present high cost of living.

## THE HOUSEKEEPER AND THE COST OF LIVING

BY MARTHA VAN RENSSELAER,

Professor of Home Economics, Cornell University.

I have been greatly interested in the question of the effects of coöperation throughout the farming community on the cost of living; and there is one coöperation not particularly emphasized to which I should like to call attention. The questions of farm labor, of machinery, of investment to make the soil productive have all been considered from a business standpoint in order to determine how much of an investment is reasonable to bring good returns. A large percentage of the incomes derived from the business of farming is spent for the farm home. Moreover, the farm woman is related not only to the problems of consumption but to the problems of production as well. It is a business partnership which does not exist in other homes. The up-to-date farmer earns his money under approved methods of work; old machinery has been discarded as uneconomic and farm labor has been reduced to stated hours as in other occupations. In the other side of the partnership where preparation and consumption occur, equipment has been slow to change, hours of labor are uncertain except that they are sure to be long and women are generally working in an uneconomic way. Further, business methods as regards bookkeeping and division of income are applied only to methods of production and not to preparation for consumption. As a result, the worker in the home has become discouraged, labor is difficult to find, the cost of living is not estimated and much energy is wasted.

The problems of production are being solved under intelligent and scientific training. Work has become interesting because of these standards. Young men are encouraged to engage in farming because of its financial advantages. The other side of the partnership in which the farm home figures until recently has not required a scientific knowledge of the questions of nutrition, sanitation and household management. As a result a greater stress is laid upon

raising good wheat than making good bread, upon feeding animals for efficiency than upon feeding man for efficiency. There is a large efficiency waste because of poor food, unsanitary surroundings and mismanaged incomes.

To change these conditions requires coöperation in education by which girls as well as boys will be prepared for their work in life; it means as good labor saving devices for house work as for farm work; as happy a frame of mind toward labor in the house as toward work outside; as much need of recreation in the one case as in the other.

No labor will be dignified unless it is raised out of the menial by intelligence and skill. Until training is given to the worker the task will be menial because it is done in a menial way. A changed attitude of housekeepers toward their work and of the world toward the housekeeper who has selected this work as a means of earning a living, will do much to settle the domestic problem. As long as the housekeeper is unwilling to use her hands and takes little pride in her work her maid will be looked upon as a menial in the family and her daughter will select any kind of work except housework as a means of earning a living. Still men must be fed, clothed and cared for and the expense of this is increasing as our tastes become more complex and help becomes scarcer.

The principles of education applied to housework are as necessary in town and city as on the farm. The business man spends a large share of his income to maintain his home. Under present conditions many business men must remain on the verge of poverty or remain unmarried because of unbusinesslike methods in house work and ignorance in the conservation of time, strength and money.

To remedy this we must educate girls for the work which they are intended to do. The men and women will meet the problems of living whether married or not. The consumer who selects his food at a restaurant is in as much need of good food even though she earns her living as a stenographer as the woman who provides her table. All women, therefore, should have a knowledge of food, shelter and clothing. It is a knowledge not to be denied men who are the earners and the spenders as well.

Education for culture is not to be discouraged. The application of science and art to food, shelter and clothing is surely not less cultural than the study of science, art and economics without knowing for what they are to be used except to cultivate the mind. Thou-

sands of women go away from the high school and college to spend incomes without any knowledge or direction whatever to enable them to do it wisely. This is as absurd as for men to expect to earn incomes without any knowledge of bookkeeping or of business methods. A large waste of income comes from the lack of understanding, and coöperation between the earners and the spenders. The chivalrous man in trying to protect the woman whom he would support is troubled by not having an understanding with his partner. She suffers with him from living beyond their means when all might be avoided by proper understanding of how much there is to spend and for what it should be spent.

New types of art keep the spender forever trying to keep up with the procession. Unless educated to it she does not know the sham from the real and must depend upon the clerk who has learned hackneyed expressions in order to sell goods. In all walks of life imitation is costly. The more prosperous set the standard and other classes imitate regardless of results. This has led to an increased demand for the useless and oftentimes an extravagant attitude toward the useful.

While men are continually studying to increase the income, women may do as much toward controlling expenditures by better choice of clothing, better preparation of food, smaller waste through the garbage pail, buying in larger quantities when it is possible, insisting on accurate weights and measures and upon better construction of stoves, ovens and more useful labor saving devices.

## BOOK DEPARTMENT

### NOTES

ALGER, GEORGE W. *The Old and the New Order*. Pp. 296. Price, \$1.25. Boston: Houghton, Mifflin Company, 1913.

This volume contains some revised magazine articles of the better type entitled Executive Aggression; Treadmill Justice; Criticizing the Courts; Discontent with Criminal Law; the Police Judge and the Public; Punishing Corporations, and The State as an Employer; an address on The Ethics of Production delivered in the Page series of lectures at Yale; and a paper on The Law and Industrial Inequality, read before the State Bar Association of the State of New York.

In a popular, yet direct and forceful way, the author points to some of the defects in current governmental structure and customs, and searches out the value and reasons for the lately developed attitude toward the courts, the executive and the legislature. He points out that in 1906 and 1907 Congress and the state legislatures together passed 25,446 acts, and 1576 resolutions, 20,000 of which were local laws or special bills relating to private interests only. In contrast with this, he points out the English plan for handling local and private bills. So long as present legislative methods remain in vogue, executive interference must continue, and that with the consent, approval and support of public opinion. He points out the indefensible position of allowing the judiciary to throw out laws passed by a legislature under the guise that they are unconstitutional because not "due process of law," especially as the courts have refused to define that expression, holding that it is wiser to ascertain its intent and application "by the gradual process of judicial inclusion and exclusion, as the cases presented for decision shall require, with the reasoning with which such decisions may be founded." "The duty which Milton took upon himself in his epic of justifying the ways of God to man is in our time only paralleled by the duty of American courts of justifying the ways of society to man and of man to society."

AMERICAN BANKERS' ASSOCIATION. *Proceedings of the Thirty-eighth Annual Convention of*. Pp. 754. Price, \$2.00. New York: American Bankers' Association, 1912.

These volumes are interesting and valuable to the banker for reference purposes. The layman finds only occasional papers to attract him. This issue has a number of such, especially those read before the savings bank section and the clearing house section of the 1912 convention held at Detroit.

BROWN, A. F. *Sylviculture in the Tropics*. Pp. xviii, 309. Price, \$3.00. New York: Macmillan Company, 1912.

BROWN, LOUISE F. *The Political Activities of the Baptists and Fifth Monarchy Men in England During the Interregnum*. Pp. xi, 258. Price, \$1.50. (To members of the American Historical Association, \$1.00). Washington: American Historical Association, 1913.

This study clears up the confusion between the Baptists and the Fifth Monarchy party which existed in the minds of many contemporaries and which has continued ever since. The position of both groups at the beginning of the interregnum is first set forth and then the political activities of each are traced in detail year by year. After a careful exposition of the facts based on wide and thorough researches in contemporary records the author reaches significant conclusions with regard to the effects of the political activities of these bodies on the Little Parliament, on the Protectorate, on the changing governments which followed the death of Cromwell, and on the government of Ireland. The book as a whole is a valuable contribution to the literature of the subject and an excellent example of the best type of historical monograph.

BRYANT, L. S. *School Feeding, Its History and Practice at Home and Abroad*. Pp. 345. Price, \$1.50. Philadelphia: J. B. Lippincott Company, 1913.

The physical deterioration in England exposed by the recent investigation of the parliamentary commission, furnishes a starting point for Mrs. Bryant's interesting study. Among the stalwart Britishers, under-feeding has to an almost unbelievable extent affected the stamina of the population. May not similar conditions bring similar effects elsewhere? After a careful first-hand study of the methods of school feeding employed abroad, Mrs. Bryant brings her work home by an analysis of conditions in the United States. Under-feeding, she says is prevalent even in this prosperous community. She cites illustrations from most of the large cities where under-feeding investigations have been made either by school physicians, or by private investigators. She reaches the conclusion after a thorough survey of the facts, that approximately 10 per cent of the school children in American cities are under-fed (p. 204). Mrs. Bryant has produced an excellent, well-authenticated study on a subject which is bound to receive very wide-read public attention in the near future.

CRANWORTH, LORD. *A Colony in the Making*. Pp. xiv, 359, with large map. Price, \$4.00. New York: Macmillan Company, 1913.

This book is an account of present-day British East Africa—its climate, resources, people, economic and social conditions and future prospects. It may be considered as a guide to the prospective colonist,—more particularly the English settler. The author confines his discussion to the plateau section of the protectorate, much of which he declares is well suited for a dense white population, having a fine climate, magnificent resources in soils, grazing lands, forests and cheap labor supplies. When, however, the desert lands and the sections set aside for game and native reserves are excluded, there remain but 10,000,000 acres actually open to the white settler—an exceedingly small pro-



portion of the total area of the whole colony. On this area the most promising agricultural crops are declared to be sisal hemp, black wattle, wheat, maize, and coffee. Cattle and sheep grazing are bound to be very important industries in the drier lands. The last third of the book is devoted to big game and big game shooting and other sports, ending evidently as a special attraction to the English colonists, with a chapter on cricket, foot-ball, lawn tennis, golf and hockey. The book may well be read to gain a general idea of the British East African highlands, but it will be found of only mediocre value to the student of economic geography.

DELL, FLOYD. *Women as World Builders*. Pp. 104. Price, 75 cents. Chicago: Forbes and Company, 1913.

In this volume, the author describes the modern feminist movement as the sum of the actions of a number of women, of whom he describes ten—Charlotte Gilman, Jane Addams, Emmeline Pankhurst, Olive Schreiner, Isadora Duncan, Beatrice Webb, Emma Goldman, Margaret Dreier Robins, Ellen Key and Dora Marsden. In his introductory chapter, Dell divides women roughly into three types: the mother type, the courtesan type (either married or unmarried) and the worker type. All of the women whom he describes are included under the last heading.

FISKE, G. W. *The Challenge of the Country*. Pp. xiii, 383. Price, 75 cents. New York: Association Press, 1912.

GUYAU, A. *La Philosophie et la Sociologie d'Alfred Fouillée*. Pp. 242. Price, 3.75 fr. Paris: Felix Alcan, 1913.

HART, H. *Woman Suffrage*. (2d. ed.) Pp. xi, 123. Price, 1s. London: P. S. King and Son, 1912.

HOBHOUSE, L. T. *The Labour Movement*. Pp. 159. Price, \$1.00. New York: Macmillan Company, 1913.

This is a revised and largely rewritten edition of the original work of twenty years ago. Much has happened within this period, and of this the new edition gives evidence both in its subject matter and in its spirit. The aim of the work seems to be that of finding an ideal of distributive justice in an industrial democracy. This ideal of the socializing of effort and the communizing of surplus is epitomized in the following paragraph:

"We are, then, able to state in outline the distribution of wealth at which an industrial democracy would aim. To all engaged in production, whether by output of brain power or muscle power, it would seek to assure a fair wage, and that is, such a wage as serves to stimulate and maintain in permanence the function which they perform. The surplus, whether in the form of interest, rent or profit, it would bring into the common chest for public purposes. But a modern nation is too large and its administration too cumbrous and mechanical to carry out this ideal through the agency of the central government alone. Local governments and voluntary associations have their part to play. The

trade union has probably a permanent function in watching over the interest of each group of producers. The Coöperative society will continue to organize forms of production and exchange which are not suited to the mechanical methods of the state. Even the individual producer will have his place wherever initiative, originality, and personal taste are the essential factors in value. The supreme function of the state is to exercise such a measure of control as will secure the general direction of industry to ends of social value, fair conditions for the worker, and equitable distribution of the product."

ISAACSON, EDWARD. *The New Morality*. Pp. xvi, 203. Price, \$1.25. New York: Moffat, Yard and Company, 1913.

The attention which has centered during the past few years on the questions concerning race supremacy, which found its scientific expression in Ripley's *Races of Europe*, and its popular expression in Woodruff's *Expansion of Races*, is represented in this book from the viewpoint of the classical English moralists and economists. The Malthusian doctrine carried to its logical extreme is made the object of a veneration which seems largely unjustifiable. The author's statements, which are non-specific in the extreme, leave the reader unsatisfied as to either his logic or his conclusions. While the book purports to cover a very wide field, it is incomplete both as to thought and as to fact. Viewed either from a scientific or a popular viewpoint, it is distinctly inadequate to its theme.

JELLINEK, GEORGE. *The Rights of Minorities*. Translated from German by A. M. Baty and T. Baty. Pp. 40. Price, 1s. London: P. S. King and Son, 1912.

This is a monograph of forty pages upon the rights that have been, are, and should be, granted to minorities. The author was late professor of law in the University of Heidelberg. It is a careful piece of work, with detailed notes and citations of authorities. The thesis is that society must discover and realize this one principle "which alone is sufficient to keep it from desolate intellectual and moral flats and bogs: The recognition of the rights of minorities."

LAYTON, W. T. *An Introduction to the Study of Prices*. Pp. xi, 158. Price, 90 cents. New York: Macmillan Company, 1912.

The author sees the study of prices as a statistical history. Beginning with an elaborate analysis of the index price in the nineteenth century, and then digressing with a chapter on monetary theory in its relation to prices, he takes up the period of falling prices from 1840 to 1849; the period of rising prices from 1849 to 1874; the period of falling prices from 1874 to 1896; and the period of rising prices beginning in 1896 and continuing to date. He begins his summary with the statement that "in recent years there has been a remarkable connection between the upward and downward movement of the purchasing power of money, and the conditions which have affected the production of gold" (p. 100). This sentence finally convinces the reader that the author is an unequivocal devotee of the quantity theory of money. What a pity that such a study could not have been made less dogmatically and more scientifically!

LORIA, ACHILLE. *Les Bases Economiques de la Justice Internationale*. Pp. 96. New York: G. P. Putnam's Sons, 1912.

This essay is the second issue in the series of publications of the Nobel Institute, which is the scientific organ of the Nobel committee of the Norwegian Parliament. The institute was established by the committee in January, 1904, and was charged with the duty of keeping in touch with the development of international relations, and especially with the endeavors made to promote the peaceful settlement of international disputes, so as to be able to advise the committee in its award of the Nobel Peace Prize. To assist in fulfilling its object of promoting mutual respect, peaceful relations, justice and brotherhood between the nations, it has undertaken to publish a series of scientific works. The first of these was A. Raeder's *L'Arbitrage international chez les Hellènes*; and the first fascicle of the second volume is Professor Loria's *Economic Bases of International Justice*.

Beginning with a concise historical explanation of how the development of commerce prepared the way for and in fact necessitated the rise of international juristic organization—as had been the case with religious toleration, as well—and of how the development of commercial competition caused numerous wars and destroyed the juristic organization which had begun to arise between the nations, Professor Loria proceeds to show how economic conditions have controlled the duration and the results of warfare and, in these later years, are gradually causing the restoration of international law and—of far more importance—the establishment of organized international justice. His treatise, based as it is upon a solid basis of historical fact, and illumined by close logic and a lucid style, is of great interest and instructive importance.

MACY, JOHN E. *Cases on Municipal Corporations*. Pp. xiv, 503. Price \$4.00. Boston: Little, Brown and Company.

This work, a selection of cases on municipal, or public corporations, was gradually evolved, during the last several years, from the lists used and experimented with in the author's classes at Boston University Law School. The eleven chapters are devoted to the Definition and Nature of Public Corporations and their Creation and Powers; Public Easements and Public Services; Limitations on Municipal Discretion; Municipal Bodies; Contractual Liabilities; Liability and Torts; Rights and Remedies of Creditors, and State Control of Municipal Affairs. The facts of each case are given, as far as possible, in "nearly their original concreteness," on the ground that they are as important to class room discussions as they are to the opinions of the courts. The cases are carefully edited and are chosen with rare judgment and sense. Space here forbids notice as to the content of specific cases. Professor Macy has succeeded in evolving an ideal text book for the study of municipal corporations, a text book that will be of great value to the student of municipal problems and the municipal officer, as well as to the student of law and the members of the bar.

MORITZEN, JULIUS. *The Peace Movement of America*. Pp. xix, 419. Price, \$3.00. New York: G. P. Putnam's Sons, 1912.

Baron d'Estournelles de Constant's three months' tour of the United States in the spring of 1911 is made the nucleus of this book's account of the peace

movement in America. The author follows the distinguished herald of peace from Washington, D. C., through the southland, California, the Rocky Mountain and the grain-growing states beyond the Mississippi, the great Northwest, the Central West and the Middle Atlantic States, with a side trip to New England, and to the end of his truly remarkable tour at the Lake Mohonk Conference. The narrative of the meetings which were held in a score of cities and of the addresses made by the peace pilgrim and others is enriched by accounts of the peace societies, their work and their leaders, throughout the country. The contributions rendered to the cause of peace by President Taft's administration, by college and university, church, press, and chambers of commerce, are impressively stated; appreciation of such gatherings as the first, second and third national peace congresses and the annual meetings of the American Society for Judicial Settlement of International Differences, are given; and such current international problems as neutrality towards Mexico, the Japano-California situation, the proper celebration of the centenary of Anglo-American peace, and the extension of arbitration with Great Britain and France, receive many interesting illustrations from phrase and fact. The idea of a journalistic—that is “a newsy and up-to-date”—treatment of the peace movement in America is a novel and fruitful one; and its admirable execution in Mr. Moritzen's book is made still more interesting by the three score illustrations, chiefly portraits, with which the book is adorned.

OGG, FREDERIC A. *The Governments of Europe*. Pp. xiv, 668. Price \$3.00. New York: Macmillan Company, 1913.

This book gives a presentation of the structure of government in each of the European countries. The discussion of the structural plan is preceded in each case by sketches of constitutional history. The author also includes some treatment of political parties, and the institutions of local administration. Both the history and the treatment of political parties are, however, exceedingly brief. Thus a century of political development in Holland is sketched in six pages.

About one-third of the book is given over to a study of the political institutions of Great Britain; one-sixth to a study of the institutions of Germany, and one-tenth to France. The other states receive succinct, yet necessarily brief, attention: Italy, 52 pages; Switzerland, 37; Austria Hungary, 65; Holland, 14; Belgium, 19; Spain, 26; and Portugal, 14. In the foot-notes are found confirmatory and supplementary references. There is a detailed index of 41 pages.

The volume contains no such illuminating references to actual government in each of the countries as occurs, for instance, in President Lowell's *Government and Parties in Continental Europe*. The book would make an admirable text for college, university and study classes. The class could then secure from other sources discussions of the social, economic and political considerations that make for actual government as distinct from the machinery of government, so thoroughly and accurately described in this useful and inclusive volume.

OFFENHEIM, L. *The Panama Canal Conflict*. (2d. ed.) Pp. 57. Price, 2/6. Cambridge: University Press, 1913.

PARSONS, FRANK A. *Principles of Advertising Arrangement*. Pp. 127. Price, \$2.00. New York: The Prang Company, 1912.

This book written by an art critic has given us another phase of the technique of advertising. The psychologist in his analysis of advertising oftener leaves us with a knowledge of the principles underlying its construction without emphasizing forcibly enough the effects of these principles. Mr. Parsons makes us constantly seek effects.

One of the present adverse criticisms by business men in connection with the development of advertising is that of the vocabulary used in an explanation of the principles involved. This book cannot be condemned in this respect for the words used are simple in nature and are phrased so clearly as to put many purely psychological explanations to shame.

There is the intuitive element in its pages. The casual reader picks up the book, and begins to wonder why he never before appreciated the beauty or the laws which relate themselves to advertising. On the other hand, this intuitive method has also introduced its dangerous element, that of statements which often involve lack of clearness with respect to the most fundamental of factors involved. Again, when Mr. Parsons begins to give his own interpretation of what advertising should do, and what the method of appeal should be, he often judges from the artist's viewpoint, where beauty is involved, rather than from the business man's practical viewpoint. The work, however, is exceedingly suggestive in nature and tends to provoke most healthy argument in relation to the principles involved. The chapters on color are excellent and establish a simple method for class approach to this subject.

The book, then, is intuitive in nature; it approaches advertising from the artist's view point; it suggests a new vocabulary; and it often brings theory and practise into conflict.

RHODES, JAMES F. *Lectures on the American Civil War*. Delivered before the University of Oxford in Easter and Trinity Terms 1912. Pp. xi, 206. Price, \$1.50. New York: Macmillan Company, 1913.

The best brief discussion of a large subject can always be made by an author who has previously presented the subject with completeness and detail. The three lectures given by James Ford Rhodes at Oxford University in 1912 upon the American Civil War are model lectures, and are an excellent general survey of the events of the Civil War period. Mr. Rhodes's estimate of the influence exerted by Lincoln, Lee and Grant shows the author's breadth of judgment; and his treatment of the motives of the defenders and opponents of slavery—of those who fought on the northern and southern sides of the great struggle—evidences the ability of the leading historian of the Civil War to judge generously and justly those who carried on the heroic struggle. Looking back upon the events with a perspective of fifty years, it is now possible to realize that the struggle, begun in defence of slavery, was prolonged in time because

the people of the South had faith in the character and leadership of Robert E. Lee. It is also possible to realize that the North won in the struggle, not mainly because of the generalship of Grant, Sherman and Sheridan, but because of the confidence of the people of the North in the character and leadership of Lincoln—"he was unquestionably the one man that the North could not spare."

SAP, GUSTAVE. *Le Régime Legal des Bourses en Allemagne*. Pp. viii, 298. Paris: M. Giard and E. Brière, 1912.

A discussion of two laws of Germany regulating exchanges, the first law passed June 22, 1896, and then supplanted by the law of May 8, 1908. The history of these two laws and their effects on speculation in Germany occupies the attention of the author.

SPENCER, ANNA G. *Woman's Share in Social Culture*. Pp. xi, 331. Price \$2.00. New York: Mitchell Kennerley, 1913.

Anna Garlin Spencer has collected in book form a series of magazine articles dealing with the forces interacting between woman and social institutions. The primitive woman, and the woman of ancient civilization, the author sees as types in an evolutionary process, which, hastened by the transformations wrought in woman's life through the introduction of modern industry, have set before her a world of new problems. The thinking public will welcome the emphasis which the author lays upon home ideals, as well as the plea which she makes for some social use of the post-graduate mother. Without saying anything distinctive on marriage and divorce, the author writes a pleasing chapter, following it with an analysis of the relations between woman and the state. The student of the wider phases of woman's activity may question the wisdom of placing the chapter on Woman and the State last, as if it were a climax to the discussion. The franchise has not been obtained generally as yet, but its attainment seems now merely a matter of time, and such emphasis upon so incidental a matter seems hardly justified.

Each chapter in the book stands by itself. There is not throughout the book that continuity of thought which one might justly expect in a book. Nevertheless, the work is a good one, and wholly commendable.

*Unemployment: Official Report of the Proceedings of the Unemployment and Industrial Regulation Section of the Second National Conference on the Prevention of Destitution*. Pp. 147. Price, 2/6. London: P. S. King and Son, 1912.

After a year's absence, Mr. Sydney Webb, as president of the unemployment and industrial regulation section of the second national conference on the prevention of destitution, is astonished to find the transformation which has occurred in public opinion, "Even a House of Commons," he writes, "which is about the last place for facts or ideas to penetrate, seems at one moment to have realized, as in a flash, the depths of its own ignorance, and the impotence to which it had actually come" (p. 6). This paper, introductory to a series of carefully worked out discussions on various industrial problems relating to unemployment, strikes a common note of hope for the speedy dawning of a better industrial day.

WYER, SAMUEL S. *Regulation, Valuation and Depreciation*. Pp. 313. Price, \$5.00. Columbus, Ohio: The Sears and Simpson Company, 1913.

This book is in reality a reference hand book for engineers and others engaged in public service work. It contains a large amount of engineering and legal data, which have been admirably digested and arranged by the author. A feature of particular value is the bibliography and the method employed in relating it to the various matters discussed in the text of the book itself. To the layman the work would give a very imperfect and unsatisfactory idea of the problems of regulation, valuation and depreciation of public utilities. To the engineer, the banker or the public utility owner, who is required to deal with these problems, the work will be of great assistance, and should find a welcome place in his reference library.

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#### REVIEWS

AKERS, CHARLES E. *A History of South America, 1854-1904* (with an additional chapter bringing the history to the present day). Pp. xxviii, 716. Price, \$6.00. New York: E. P. Dutton and Company, 1912.

Since the appearance of the first edition of this work, in 1904, there has been a steady succession of works on South America. In fact, with the exception of China, no other portion of the world has received as much attention on the part of economists, archaeologists and artists.

In spite of the abundant material presented to the public, we have had nothing to supplant the history of South America published by Mr. Akers in 1904. None of the writers who have studied South American political conditions has shown the same personal acquaintance with men and events which is the distinguishing characteristic of Mr. Akers' work.

For the general reader, who desires to obtain an insight into the present political situation in the countries of South America, there is no work comparable with that of Mr. Akers. It is equally useful to the special student who desires a summary of the national problems confronting each of the countries of South America, as well as the international questions which have disturbed the relations between them.

The second edition of this very useful work contains a brief additional chapter of eleven pages, summarizing the most important changes that have taken place since the publication of the first edition of the work in 1904.

It is to be regretted that the publishers are unable to issue this work at lower price, as a wider circulation would serve to clear up many misconceptions now existing among the American people with reference to political conditions in South America.

L. S. ROWE.

*University of Pennsylvania.*

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BARBOUR, DAVID M. *The Standard of Value*. Pp. xvi, 242. Price, \$2.00. New York: Macmillan Company, 1912.

Of the several excellent treatments of monetary theory that have appeared in recent months, this volume is among the most important. The work

includes two general considerations, of which the first is a somewhat lengthy defense of the quantity theory of money, and the relation between credit and prices. The author apologizes for devoting so much space to the topic; and the treatment he gives it, although suggestive, adds little that is new. Old arguments are repeated with close adherence to Ricardian views.

The latter part of the volume, however, is of unusual interest and value. In the words of the author: "I have decided . . . to state the circumstances under which it was decided to introduce the gold standard into India and explain the procedure adopted for that purpose." This involves a consideration of certain problems connected with the standard of value in order to show the causes leading up to the closing of the Indian Mints to silver. The fall in the gold prices of commodities produced in and exported from gold-standard countries to silver-standard countries resulted in a fall in the gold price of silver, and in the exchange between gold-standard and silver-standard countries.

Moreover, "the fall in exchange was the cause of the fall in the gold price of silver, . . . silver could not fall in gold price unless the exchange fell, and . . . the exchange could not fall until the balance of indebtedness turned against the silver-standard countries." This view is supported both mathematically and statistically, and is followed by an extremely interesting account of the closing of the Indian Mints to silver and the effect of the establishment of the gold standard in India. The chief criticism that can be advanced is the one applicable also to the discussion of the quantity theory of money. Reference is made continually to movements of merchandise, gold and silver, the "visible" items in international trade, and too little attention is given to the "invisible" items, which are often the dominant factors over a considerable period of time.

E. M. PATTERSON.

*University of Pennsylvania.*

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- BEBEL, A. *My Life*. Pp. 343. Price, \$2.00. Chicago: University of Chicago Press, 1913; ORTH, S. P. *Socialism and Democracy in Europe*. Pp. iv, 352. Price, \$1.50. New York: Henry Holt and Company, 1913; HILLQUIT, M. *Socialism Summed Up*. Pp. 110. Price, \$1.00. New York: H. K. Fly Company, 1913; VAUGHAN, FATHER BERNARD, S. J. *Socialism from the Christian Standpoint*. Pp. 389. Price, \$1.50. New York: Macmillan Company, 1912; BOYLE, J. *What is Socialism?* Pp. 347. Price, \$1.50. New York: Shakespeare Press, 1913; WARE, F. *The Worker and His Country*. Pp. XV, 288. Price, \$1.40. New York: Longmans, Green and Company, 1912; SPARGO, J. *Syndicalism, Industrial Unionism and Socialism*. Pp. 243, Price, \$1.25. New York: B. W. Huebsch, 1913; WALLING, W. E. *The Larger Aspects of Socialism*. Pp. xxi, 406. Price, \$1.50. New York: Macmillan Company, 1913; WELLS, H. G. *The Discovery of the Future*. Pp. 61, Price, 60 cents. New York: B. W. Huebsch, 1913.

There seems to be no decrease in the mass of socialistic literature and literature on socialism that comes from the various publishers. It is sur-



prising that in these books there is so little that is of real value; so little that is new and suggestive. The majority simply say again in about the same way things that we have read and heard said for a number of years.

The exceptional book of this group is *My Life* by August Bebel. This is an exceedingly valuable work, which traces the life of the great leader of German social democracy from his early years to the inauguration by Bismarck of the second series of anti-socialistic laws in 1878. The story is told in a simple and convincing way. The early efforts of the German socialistic movement are clearly shown. The picture of Prince Bismarck as the dictator of the Reichstadt during its early years is particularly interesting. Herr Bebel was in the heart of the early movement and took an active part in all the early struggles of social democracy. The study of the labor movement is also interesting and the light that the book throws on the relation of the two movements will prove valuable to students of this subject.

Dr. Orth's book on *Socialism and Democracy in Europe* is a careful historical study of the development of socialism in four European countries. An attempt is made to determine the relation of economic and political socialism and the general movement toward democracy. Dr. Orth feels that socialism is spreading democracy and making democracy more democratic.

*Socialism Summed Up* by Morris Hillquit is an exceptionally good beginner's book on socialism. It gives in Mr. Hillquit's clear and easy style the basis of socialism, its methods, its political program, its accomplishments and successes.

Father Vaughan feels that the Encyclicals of Pope Leo XIII, if really followed, would solve the difficulties against which socialism is aimed. He claims that the Church has always stood by the working man and continues to do so and that through the Church must come the solution of present-day problems. The book is a careful although very hostile analysis of prevailing socialistic theory. It should rank as one of the best attacks against the theory of socialism. The other book of this group, which is hostile to Socialism is *What Is Socialism?* by James Boyle. It is very unsatisfactory and fails to state fairly the theories that it desires to attack.

In Ware and in Spargo we have an analysis of the present developments within the socialistic movement and a careful study of their results. Mr. Ware analyzes the new patriotism, which is becoming class conscious rather than nationally conscious. He feels that there has developed a new idealism which will in the end make us all one international family in fact, although national lines may still be continued. Mr. Spargo feels that the socialist movement must have no relation with syndicalism and that there is a definite danger to evolutionary and political socialism in this new movement which is closely related to anarchism. This is an attack on the newer development, but unfortunately it does not state the opposite case satisfactorily. The bibliographical notes that are appended are valuable.

*The Larger Aspects of Socialism* by William English Walling is a contribution to the philosophy of socialism. It is a study of socialism as a civilization. It shows the close relation between the modern currents of thought and claims that they are largely based on the writings and theories of the various social-

ists. He shows the close relation between socialism and the philosophical theories, such as pragmatism, the social expansion of religion and even with the present notion of God. Many of the modern attitudes have been brought about by the development of socialistic theory. This book is exceptionally suggestive and interesting.

Mr. H. G. Wells in *The Discovery of the Future* develops an interesting theory. He states that as our knowledge increases it will not be at all foolish to suppose that we can clearly foretell and regulate the future of society.

With the exception, therefore, of Bebel's *Life*, which gives us a very valuable glimpse of the man who has been such a large factor in German political life in the last forty years, and the book by William English Walling, there is little of real value in this group of books. It is to be hoped that Herr Bebel will bring his autobiography down to date and that Mr. Walling will continue to give us such careful and suggestive analyses of socialistic thought.

ALEXANDER FLEISHER.

Philadelphia.

BEER, G. L. *The Old Colonial System*. (2 vols.). Pp. xxiii, 736. Price \$2.00 each. New York: Macmillan Company. 1912.

In two previous volumes Mr. Beer has dealt with the old colonial system of Great Britain in the period of its origins (1578-1660) and in the critical period of the Seven Years' War (1754-1765). In the present work he covers the period from 1660 to 1688 and supplies the most complete information which has been given to us concerning the actual working of the policy of constructing a self-sufficient empire by means of the acts of trade and navigation. The high standard set by the author in his previous works (noticed in *THE ANNALS*, xxxi, 514; xxxv, 186) is fully maintained, and the carefully selected results of extensive research are placed before us with judicial impartiality in a narrative told with directness and simplicity.

Each of the two volumes deals with a distinct aspect of the subject. The first is concerned with the colonial policy and its application by the imperial organs of control. A masterly exposition of the principles which guided Charles II and the statesmen of the restoration era in their colonial activities shows that colonial expansion was made more distinctly subordinate to commercial progress than in the previous period. The colonies, consequently, were no longer looked upon as an outlet for the surplus population of England, and emigration from England to the colonies was regarded as a positive evil, unless countervailing advantages could be derived from the colonies. The West Indies and the continental colonies south of Maryland fulfilled these conditions, since they formed complementary parts of the self-sufficient economic empire, which was the ideal of contemporary statesmen, and since they helped to swell the receipts of the English exchequer through import duties which were erroneously believed to be paid by the colonies. The northern colonies, on the other hand, failed to meet these paramount economic requirements, since their products largely paralleled those of England. But while English statesmen ap-

plied restrictive measures to the colonies to secure these desired results, they intended to give compensating advantages, and in large measure succeeded. A detailed and thorough analysis of the working of the acts of trade and navigation in their commercial and fiscal aspects, which is by far the best known to the reviewer, shows that England not only provided the essential naval defense at her own expense, but also gave the colonies to her own disadvantage a monopoly of the English market for the most important enumerated commodities. Such regulations, however, necessarily involved some clashing of interests, which is illustrated effectively by the quarrels between the African Company and the plantation owners of the West Indies described in an illuminating chapter on *The Slave-Trade and the Plantation Colonies*. A chapter on the imperial administrative machinery does not add proportionately to our knowledge of the central organs of government, because that field has been more thoroughly exploited than the others by the author's predecessors; but on the work of the local agents of the central government there is abundant new information.

The second volume is occupied with a survey of the commercial development of each colony which serves as an essential background for an estimate of the effects of the acts of trade and navigation on the colonies. The evidence on this question is of the most conflicting nature. Since reliable statistics are exceedingly few, most of it consists of complaints of the colonists who were prejudiced against the acts and of reports of officials who were prejudiced against the colonists. Much of it, furthermore, is deliberately exaggerated. Mr. Beer places the evidence of both sides before us, as no previous historian has done, weighs it with scholarly insight and critical acumen, and deduces conclusions which appear to be essentially sound. On the West Indies, for example, where the staple was sugar, the acts of trade were a real burden, since England at this time consumed only part of the colonial product, and the monopoly of the English market did not compensate for the handicap placed on the sugar that had to compete in the continental market. In Massachusetts, however, the acts "in no wise interfered with the colony's fundamental economic activities" (p. 307). The extent of the opposition offered by any colony is apparently no index of the degree of restriction which the acts imposed. In Barbados and Jamaica the effects of the acts were practically the same, but in Barbados the outcry against them was long and loud, since the imposition of the acts coincided in point of time with a slump in the sugar market due to overproduction, while in Jamaica there was scarcely a complaint, since the English planters there had known no other system. With regard to the enforcement of the acts there is likewise great variation from colony to colony. Mr. Beer concludes that in most colonies they were fairly well enforced and in a few well enforced. Only in Massachusetts, New Hampshire, Georgia, and Newfoundland were they extensively evaded, and the trade of the last three colonies was so small that the evasions there were comparatively unimportant.

The materials for the work are drawn from a wide variety of sources, but the bulk of them comes from the official records of the various organs concerned with colonial administration, now deposited mainly in the Public Record Office. These have been little utilized hitherto, and consequently the liberal summaries and citations therefrom in the copious foot-notes are of no slight value

Even the text is filled with detailed illustrations of the working of the colonial system taken from this source; but the narrative is never encumbered by them. The casual reader will not find his attention distracted from the main theme; the historical student will find a mass of well-chosen evidence from which he may draw his own conclusions.

W. E. LUNT.

*Cornell University.*

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CHANNING, EDWARD. *A History of the United States*. Vol. III, *The American Revolution, 1761-1789*. Pp. 585. Price, \$2.50. New York: Macmillan Company, 1912.

The third volume of Professor Channing's *History of the United States* covers the difficult period of the Revolution. To treat with objectivity and with a correct sense of proportion the events that led up to the Revolution, to subordinate the unimportant details of the seven years of fighting, and to select and discuss with appropriate emphasis the causes that necessitated and brought about the adoption of the Constitution, is a task requiring the highest order of ability on the part of any historian. Professor Channing has met the test successfully.

The author's general concept of the revolutionary period is summarized on the first page of this volume: "Commercialism, the desire for advantage and profit in trade and industry, was at the bottom of the struggle between England and America; the immutable principles of human association were brought forward to justify colonial resistance to British selfishness. The governing classes of the old country wished to exploit the American colonists for their own use and behoof; the Americans desired to work their lands and carry on their trade for themselves." This view of the Revolution may, however, be criticised as attributing selfishness only to Great Britain. The colonists were not more altruistic than the mother country. There was a desire in America for home rule in order that two ends might be accomplished—that industry and commerce might be carried on without restriction or taxation, and that popular government might be maintained. The colonists sought economic freedom and home rule; the British government sought trade advantage and the establishment of an imperial policy. As events turned out, the states that succeeded the colonies in America did not achieve popular government immediately as the result of the success of the Revolution; until 1830, the state governments were, for the most part, aristocratic. Great Britain fought the war in pursuance of a general imperial policy; and, while trade extension was one strong reason why she was so zealous in defending the imperial policy, there were other motives, political rather than economic, that influenced her actions.

Professor Channing is American in feeling and is more critical of British than of American policies and leaders. He has not become the defender of Great Britain's treatment of the colonies or of her policy in carrying on the Revolution, as have some recent historians of the colonial and revolutionary

period. Professor Channing's book, is, on the whole, well balanced, because the author appreciates the merits and weaknesses of both sides of the controversy between Great Britain and her colonies in America.

Good judgment and a due sense of proportion characterize the volume throughout. One evidence of this is that the minor incidents of the complicated events of the revolutionary period, such as the Boston Massacre, The Tea Party, Paul Revere's Ride, the Mecklenburg Declaration, etc., are duly subordinated. That the author thinks clearly is evidenced by his lucid and straight-forward style of writing. The high standard set in volumes one and two have been fully maintained in volume three.

EMORY R. JOHNSON.

*University of Pennsylvania.*

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CHERINGTON, P. T. *Advertising as a Business Force*. Pp. xv, 569. Price, \$2.00. New York: Doubleday, Page and Company, 1913.

The reader of Professor Cherington's book has heard its excellencies heralded by numerous men. It is a well advertised book on advertising, perhaps too much so, for many of us were expecting a phase of development from the text-book standpoint which would include creative suggestions in the economic interpretation of advertising, and we have been disappointed. The volume contains little more than an apt advertising man or student of advertising could obtain by continuous reading of the magazine, *Printers' Ink*.

As a book containing the classified experiences of firms in launching their campaigns, it will be valuable history. But as a text-book for continuous class use, there is too much material or detail. The student is lost in a maze of experiences which tend to inhibit original thinking in connection with the creative phase of advertising as a business force.

This book is typical, however, of the method of reasoning employed by many business men. They seem to think that whatever has been tried and proved a failure, should not be tried again; on the other hand, whatever success has been obtained by a given movement will, for them, repeat success. Neither of these two attitudes is accepted by those possessing originality or initiative and whose vision is to change the surface of the earth.

My criticism is thus given upon the book as a text-book in connection with the original development of the economic phase of advertising. A source book of practical experiences, it will be indispensable as a work of reference. His classifications are excellent. The student who is in difficulty with respect to certain factors in his own campaign which need the test of experiences, will be able in large measure here to obtain precedent.

Any text-book which treats a subject where innumerable pages are written by different persons, is never so satisfactory as one which involves the principles of a subject analyzed and coördinated by a single individual. It is true that Professor Cherington gives the principles involved in the instances cited, yet the force of his analysis is often lost through the individual style of the writer quoted.

The volume, then, should be regarded as a source book of advertising related to economic implications rather than the technique of advertising. It is excellent in suggesting to the student forming a campaign, the difficulties and the triumphs of past experiences.

HERBERT W. HESS.

*University of Pennsylvania.*

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FARNAM, HENRY W. *The Economic Utilization of History*. Pp. viii, 200. Price, \$1.25. New Haven: Yale University Press, 1913.

This little volume brings together in convenient form several addresses and articles prepared by this well-known Yale professor. There is no clearly discernible thread of unity upon which the twelve chapters may be strung. The last nine chapters present in an attractive manner the theories of social reformers in relation to the problems of labor and of labor legislation. In the first chapters of the book, Professor Farnam upholds the thesis that economists as well as physicists and psychologists, can frequently utilize experimentation in studying economic subjects. American economists are especially open to criticism for neglecting their opportunities.

The United States, composed of the federal government, state and municipal governments, and the outlying dependencies, may readily be used as a great and unique experimental laboratory. Our over-zealous and impulsive legislators are furnishing an almost bewildering mass of experiments which are "being gratuitously performed for the economist." However, our courts by means of their power to nullify laws, frequently interrupt experimentation. "Most of our political questions have turned upon economic interests or economic ideals." Economic forces operate quite freely in America. Institutionalism has not yet become as powerful as in Europe; and the process of social evolution and economic progress is not seriously distorted by institutional lag. In addition to "official experimentation," this country "has also been the happy hunting-ground of social Utopias," extending from Mormonism to the Brook Farm experiment; and "our business men and lawyers have been peculiarly ingenious in evolving new forms of industrial organizations."

In order adequately to utilize the material freely offered in the great American social laboratory, the need of more teamwork is properly emphasized. "We need a closer coöperation between the universities, the governments, and the various societies and institutions devoted to economic research. In short, we need the principles of 'scientific management' applied to economic science." The individual working alone is at a disadvantage. It is, indeed, worth while again to call attention to "the economic utilization of history."

FRANK T. CARLTON.

*Albion College.*

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GILLETTE, JOHN M. *Constructive Rural Sociology*. Pp. xii, 301. Price, \$1.60. New York: Sturgis and Walton Company, 1913.

The author of this volume is professor of sociology at the University of North Dakota. His aim is primarily to provide a textbook on rural sociology

that may be used in universities, colleges, agricultural colleges, and normal schools. At the same time the author has kept in mind a desire to render the volume available both to the intelligent farmer and general reader. The scope of the work is broad, embodying, besides sociology, matter relating to rural economics, the improvement of agriculture, and problems of marketing, sanitation, and mechanical engineering. Thus the facts and conditions of country life are given a broad sociological interpretation. A concise statement of the volume's aim is expressly given by the author as follows:

"It is sought to define the scope of rural sociology, to differentiate between rural and urban communities, to distinguish the types of rural communities in the United States and to indicate the physical and social influences which have produced them, to consider the movement of population from country to city and the nature of the moving conditions, to compare the advantages of country and city, to mark out the nature of the rural problem, to consider the improvement of agriculture, farm marketing, farm labor, and the farm home so far as they concern rural community welfare, and to take an inventory of social institutions and indicate how they may be improved."

There can be no question that the author has well covered the ground of a constructive rural sociology. But the volume is decidedly premature in two particulars: (1) It would have been better to have withheld it for a year or two in order to have incorporated the census statistics for 1910 rather than to have depended on those for 1900 as is the case in some instances. Not that these concrete data at all modify the principles which it is the aim of the book to render prominent; but, at the same time, the incorporation of the latest data relating to rural sociological phenomena would have made the volume of much greater value to teachers and students for whom it was primarily intended. And (2) the book is really ahead of the times so far as the principles of constructive rural sociology are concerned. In this regard, those of us who live in the country and who are striving to make country living economically and sociologically worth while would be apt to feel, after a studious reading of the book, that our problems are almost beyond the power of human solution. There are sociological problems in the country without number, as the author plainly demonstrates; but how we are to solve them is not made so clear that one is made enthusiastically optimistic as to the future trend of the country life movement. From the constructive point of view, this volume pictures a magnificent structure, whereas in reality the sociological world is only just laying the foundations.

As a textbook of rural sociology, with subjects topically arranged and discussed, abundant references to literature, and a detailed index, this volume will undoubtedly serve a useful purpose among sociological students for some time to come.

JAMES B. MORMAN.

Kensington, Md.

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HARRISON, FREDERIC. *The Positive Evolution of Religion*. Pp. xx, 267. Price, \$2.00. New York: G. P. Putnam's Sons, 1913.

The average orthodox Christian who reads Renan's *Life of Jesus* lays the book down with a feeling that something is lacking yet he is stirred by a profound

religious emotion. Something of the same character we believe, pervades this volume. Many readers will be shocked at the ruthless subjection of Christian beliefs to the test of scientific analysis and historical criticism. Jew and Christian, Protestant and Catholic, Deist and Theist share alike in the process of analyses. But he who reads the book through will not fail to be impressed with the deep sense of religious sincerity; of earnest desire for a synthesis of the real essence of religion found in all its various manifestations which reaches down into the common religious consciousness of mankind.

Time alone can determine through further investigation and clearer thinking whether Positivism has arrived at the synthesis which shall "weld into one common life our intellectual, our affective, and our active propensities." Neo-christianity, the Christianity of the most radical schools, is making strenuous effort to "retain the ethical and emotional spirit of the gospel, while discarding its miraculous machinery, and its claim to rest on a divine revelation." Positivism, or the religion of Humanity, goes but one step further: It would add an intellectual element that is altogether "honest, courageous, thorough, and scientific."

The calm confidence continuously expressed by the author in a religion reconciled with science and capable of enlisting the complete man in a whole-hearted service to humanity is the essence of the book.

It is not, as the title indicates, a treatise on the positive evolution of religion. It is rather a defense of the evolution of positivism in religion. It is not a veiled or disguised attack upon orthodoxy. It is a bold and fearless statement of the views of the English Positivist Society by one of its most distinguished and representative members. The substance of the volume was presented first in a series of public lectures at Newton Hall.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

HEAWOOD, EDWARD. *A History of Geographical Discovery in the Seventeenth and Eighteenth Centuries.* Pp. xii, 475, with maps. Price, \$3.75. New York: G. P. Putnam's Sons, 1912.

This book has brought together in connected history the stories of geographical discovery following the so-called age of great discoveries. At the beginning of the seventeenth century, the general outlines of the continents, with the exception of Australia and the parts washed by the North Pacific Ocean, were fairly well determined. It remained for future explorers to fill in the details and to sweep the broad oceans to make sure no other great land masses were to be found. It is with these very important explorations, only less thrilling than the great pioneer discoveries of the preceding century, that this book deals. The most marked characteristic of the period here dealt with was the unveiling of the Pacific Ocean and the opening of the interior of North America and northern Asia. Africa remained dark until late in the nineteenth century while the secrets of the Polar regions were reserved for the twentieth century. The author's method of treatment has been a



combination of topical and period treatments. The two centuries discussed are divided into periods more or less corresponding in aims and methods of exploration, and each geographical division is treated for each period. Opinion will differ as to the wisdom of this treatment. The writer of this review has found it more interesting to read the book by topics, selecting for example, the chapters on the South Pacific, then those on America, and so on.

The book represents an enormous amount of reading. Its great value lies in bringing together in a handy reference book a great amount of information, well arranged, and well written. The great mass of detail, however, detracts from the readable qualities of the book, while the briefness of treatment of many lesser discoveries does not satisfy the student who may use the book for reference. Complete elimination of many lesser explorers would not detract from either its interest or its value. The book is profusely illustrated with cuts and maps—many of them reproductions of old charts taken from the original documents, some of them new and original. The very complete index greatly adds to its value as a work of reference.

G. B. ROORBACH.

*University of Pennsylvania.*

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HUBBARD, A. J. *The Fate of the Empires*. Pp. xx, 220. Price, \$2.10. New York: Longmans, Green and Company, 1913.

Civilization, according to the author, is the joint product of Instinct, Reason, and the Religious Motive. "Instinct" is the inherited inborn impulse essential to race survival and subordinates the individual to the race. It involves a birth rate limited only by physical possibilities, a merciless sacrifice and an unlimited waste of individual life. The unmitigated struggle for existence created by pure instinct is modified by "Reason"—the logical faculty, untouched by Instinct from below, and dissociated from the Religious Motive above (p. 28), which relates the individual to "Society—the sum of individuals co-existing at any time" (p. 33), resulting in the perception of a conflict of interests, and, to the degree that pure "Reason" controls, mitigates this conflict through socialism and a decreased birth rate, to the great advantage of the individual and to "Society" but destructive of "Race"—"The sum of the, as yet, unborn generations." As "Reason" overcomes "Instinct" Society educates, and at the same time, extinguishes itself. This has been the history of Empires, *e.g.* Greece and Rome.

Whether or not a progressive and yet stable civilization can be created depends upon a reconciliation of these two tendencies. This can be secured only through an ultra-rational religious motive which substitutes a cosmocentric for a geocentric philosophy of life based upon "self sacrifice that is offered upon the altars of the Most High,"—"an authority external to ourselves" (p. 76).

It is keenly to be regretted that the author, with such keen insight into the analysis of social forces should have taken recourse to a form of religious philosophy now so generally superseded by a clearer realization that its best means

of expression is through enlightened human reason and not as an extraneous force. It is to be hoped that the concept of religion presented will not obscure the real function of religion in affecting this reconciliation. In general the author has made a valuable contribution to the subject of social interpretation.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

KEY, ELLEN. *The Woman Movement*. Pp. xvii, 224. Price \$1.50. New York: G. P. Putnam's Sons. 1912.

This new volume by Ellen Key first published in Sweden in 1909 has just been made available to American readers by translation. In a way which we have learned from her other books to be characteristic of her she puts into virile language her ideas of the Woman Movement and the "new phase it is now entering, a phase in which the claim to exert the rights and functions of men is less important than the claims of woman's rights as the mother and educator of the coming generation."

Havelock Ellis, in his introduction to the book traces five stages of development in the woman movement: the struggle for equal rights of education; for entrance into the professions; the evolution of certain personal rights, such for instance as regards marriage and property; the right of suffrage; and finally this new stage as quoted above. In its external as well as its inner results, in its influence upon single women; upon daughters, upon the relations of men and women in general, upon marriage, and upon motherhood, each of which she has outlined in a separate chapter, the author attempts to show wherein the woman movement has endeavored to develop woman's personality and where, in her opinion, it has failed when it has refused to recognize that with woman "the life of the heart predominates" and that she can only attain to the development of the highest personality through her function of mother and educator of a new generation.

The book throughout is a wonderful stimulator of thought in these days (to take only one instance) when a certain coterie of representatives of woman's rights are attempting to throw all emphasis on a particular phase, namely the demand for parliamentary suffrage. As the author says "the ballot in and of itself does not injure the fineness of a woman's hand any more than a cooking receipt;" but in its attainment does not lie all that woman is struggling for.

BRUCE D. MUDGETT.

*University of Pennsylvania.*

LUSK, HUGH H. *Social Welfare in New Zealand*. Pp. vi, 287. Price \$1.50. New York: Sturgis and Walton Company, 1913.

Mr. Lusk, a former member of the New Zealand Parliament, has presented in popular style an account of the various social and economic experiments which have caused the eyes of the world to be directed to the little dominion

in the Pacific ocean as constituting the outpost in the world's movement towards social betterment.

The efforts of the people of New Zealand, working through the agency of their government, to overcome the evils of land monopoly, to improve labor conditions and prevent industrial disputes, to provide for their aged poor by means of old age pensions, to extend the suffrage to women, to provide homes for their workers, to prevent the evils of private monopoly by an extension of the field of government ownership and management of industry, and to make capital available at low rates of interest for their farmers and working people by a use of government credit to secure loans from abroad are recited in the language of an enthusiast who makes no mention of the difficulties which have been and are still being encountered in the carrying out of this social program.

Mr. Lusk's avowed purpose is to present such an account of the New Zealand legislation as shall lead other peoples, especially those of America, to follow the path which his country has blazed, but such a misleading statement as he has given will hinder rather than aid in the accomplishment of that purpose.

That New Zealand's social program is highly interesting and instructive no one can doubt: that on the whole it is likely to succeed is the belief of the reviewer, but that the legislation is as yet only experimental must be confessed by any well-wishing but impartial investigator.

Mr. Lusk's book is full of inaccuracies and as a scientific treatise it has no merits.

M. B. HAMMOND.

*Ohio State University.*

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McLAUGHLIN, A. C. *The Courts, the Constitution and Parties.* Pp. vii, 299. Price, \$1.50. Chicago: University of Chicago Press, 1912.

This book includes five articles, all but the first of which have been published before. The first article answers the question, "How did it happen that courts in America began in the latter part of the eighteenth century to refuse to recognize as law legislative acts which had the appearance of law and which were issued with all the formalities of law?" It presents briefly the position of the Supreme Court in *Marbury vs Madison*, and then goes backward historically, attempting to discover the foundations for this decision. The author finds these foundations in certain principles of great influence in the minds of men of revolutionary days, chief of which were: (1) the principle of the separation of powers and the independence of the judiciary, which led courts to believe that they were not bound in their interpretation of the constitution by the decisions of a collateral branch of the government; (2) the prevalent and deeply cherished conviction that governments must be checked and limited in order that individual liberty may be protected and properly preserved; (3) the universal belief in a fundamental law which should be maintained and preserved at all costs; (4) the firm belief in natural rights as superior to all governmental authority and in the principles of natural justice as constitu-

ting local limitations upon governmental activity; (5) the principle of English law, back of which was a long course of English constitutional development, that the courts would consider an act of Parliament contrary to natural justice or reason void and pass it "into disuse."

Articles II and III, entitled respectively, "The Significance of Political Parties" (previously published in the *Atlantic Monthly*, February, 1908). and "Political parties and Popular Government" (an address before the Phi Beta Kappa Society of Indiana University in June, 1911), treat the vital part played by the party in securing popular government. The author's main thesis is that the government that runs the government is the party, and that, therefore, to control their government, the people must control their political parties.

The fourth article, "Social Compact and Constitutional Construction" (previously published in the *American Historical Review*), discusses the changing theories in political philosophy that have laid the foundations for the different theories concerning the nature of the nation.

The last article, "A Written Constitution in Some of Its Historical Aspects" (published in the *Michigan Law Review*, and in the *Proceedings* of the Fiftieth Anniversary of the Constitution of Iowa) shows that the American constitutional system took its rise in the theory of compact and of individual right and in the principle that governments should be of law and not of men. It shows how the national government is now doing many things so far in advance of the conception of the Fathers, that "we find difficulty, by processes of devious ratiocination, in reconciling them with the idea that the Constitution is a document of enumerated powers." He feels that the new national conscience must be recognized, and that if states cannot individually do their duty, their duty must be done for them by the national government. The preservation of state rights depends as ever upon the performance of state duties.

CLYDE L. KING.

*University of Pennsylvania.*

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MONROE, PAUL. (Ed.) *Cyclopedia of Education*. Vol. IV. Pp. xiii, 740. Price \$5.00. New York: Macmillan Company, 1913.

The present volume is more remarkable for the number and variety of its minor topics than for its leading articles. It occasions some wonder, moreover, to find that Hough has thirteen columns for *logic*, Cohen twenty-three for *philosophy* and that state systems are described at length, as if each were a peculiar type, whereas they are substantially alike in essentials; and on the other hand to find important practical topics, such as the teaching of the subjects of instruction and the various aspects of educational theory, so reduced that the accounts are superfluous to those who know a little about them, and inadequate to those who wish a fundamental treatment. While it is true that such men as Dewey illuminate every subject they touch, yet one can but regret that they are not permitted to do for education what the larger encyclopedias do for the important topics they treat.

The article on Peru fails to explain or even to mention the fact that contrary to expectation this country, in common with the whole of Latin-America south of Mexico, forbids or omits the teaching of Latin in the schools. The primary reason for this condition is the strained relations between state and church, and the opposition of the latter to secular education.

Among the articles of interest and value the following may be mentioned: "Cubberley on National Land Grants," where the information is detailed and adequate; "Washington on Negro Education," too sketchy and brief to be of greatest value; "Mathews on the Pedagogy of the New Testament," in which the analysis of the teaching of Jesus is noteworthy; "Penniman on the History of the University of Pennsylvania;" "Sies and Elliott on Pensions for Teachers," in which the futility of most efforts in this country is shown; "Mann on the Teaching of Physics," which is colored of course by the author's distinguished contributions to the subject; "Bagster-Collins on Modern Foreign Languages," showing that translation hinders the formation of the language sense; "Dewey on the Philosophy of Education." The last named article is far too brief and should have had several times its present space. Among the interesting topics it mentions, the reconstructions of modern theory of education made necessary by modern conditions are worthy of mention. These are three in number and arise in consequence of the rise and development of (1) political democracy, which makes education universal, though not uniform; (2) industrialism, which causes it to merge into vocational training; and (3) experimental science, which makes it subject to scientific treatment as to processes and results.

CHARLES DE GARMO.

Cornell University.

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MONYPENNY, W. F. *Life of Benjamin Disraeli*. (2 vols). Vol. I, 1804-1837; vol. II, 1837-1846. Pp. xviii, 822. Price, \$3.00 each. New York: Macmillan Company, 1913.

It was no easy task to write a successful biography of Benjamin Disraeli. One of the most picturesque and brilliant characters in English history, a man of foibles and genius who achieved great power and exerted a lasting influence upon the history of England and continental Europe—it was such a man that Monypenny sought out to picture. It is greatly to be regretted that the author did not live to complete his task. The two volumes, which bring the biography down only to 1846, close just at the time when Disraeli's influence began to be potent.

Mr. Monypenny's volumes make fascinating reading because they draw largely upon the letters and writings of Disraeli, who had a picturesque style and whose imagination gave lively interest to everything he wrote. Mr. Monypenny's work has much of the fascination that Disraeli's own writings have. A successful biographer must be able to record with complete objectivity the character and work of the man concerning whom the bibliography is written. Such ability is seldom possessed by biographical writers; but Monypenny has it in marked degree; and in consequence, his life of Disraeli

gives an account of the man that the reader feels can be trusted. Monypenny does not make a hero of Disraeli, but, by picturing both the foibles and strong characteristics of the subject of the bibliography, he draws a true picture; and thus in reality brings out the strong characteristics which gave Disraeli the great power he possessed as a courtier and statesman.

Volume I contains the narrative of Disraeli's early literary efforts and ends with his entrance into Parliament in 1837. The second volume tells the story of Disraeli's first nine years of parliamentary activity, and presents in great detail his opposition to Peel during the parliamentary sessions of 1844-46. Monypenny was not a freetrader, and he writes with appreciation and approval of Disraeli's speeches in opposition to free trade. The second volume also outlines admirably the evolution of Disraeli's political philosophy. This is done largely by quoting from Disraeli's speeches and by abstracting and reproducing excerpts from *Coningsby*, which was published in 1844, and *Sybil*, which came out the following year. One of the valuable parts of volume two is Monypenny's analysis of the economic conditions in England and Ireland from 1830 to 1850. The book is of interest to the economist as well as to the historian.

EMORY R. JOHNSON.

*University of Pennsylvania.*

PIC, PAUL. *Traité Élémentaire de Législation Industrielle*. Pp. xv, 1206. Price, 12.50 fr. Paris: Arthur Rousseau, 1912.

A very thorough, painstaking review of the history and status of labor legislation in all the important countries of the world, including the United States and several of its constituent states, is contained in the volume before us. The scientific evolutionary viewpoint is maintained throughout; the author sees clearly and states his conclusions fearlessly.

In the introduction Professor Pic essays by a detailed study of the various schools of economic thought to settle upon the rational limits to state intervention in industry. Making the workman himself the center of consideration, the author examines the economic development which forms the basis of labor legislation. The growth of machinery has concentrated industry in a few hands. At present we are in a "régime of large-scale industry, a régime characterized by colossal plants which employ armies of workers, drawing off mobile capital, and restoring the proceeds as dividends not to the mass of toilers, reduced to an often insufficient fixed wage, but to the privileged capitalists who were able to trust their savings or their superfluity to the founders of these vast enterprises." The result is an industrial feudalism. Old bonds between employer and employee are ruptured; the former often becomes an impersonal stock-company. Hence, to the author's mind, arises the antagonism between labor and capital, and the need for prudent legislation to ameliorate the condition of the workers, "even at the price of certain sacrifices agreed to by the employers, or even imposed on them by law."

The introduction ends with an effective study of laws for the regulation of labor in antiquity, under feudalism, and in the monarchic period.

The book proper is devoted to the study of modern labor legislation. Part I traces the origin of labor departments, ministries of labor and the like in several countries, gives the history of the early repressive legislation, such as measures forbidding trade unions as "contrary to the spirit of the constitution," and shows the resistless victorious march of the labor movement in the acquisition of recognition, rights, and democracy.

The second part takes up the broad subject of industrial contracts—their kinds, terms, and legal restrictions and safe-guards.

Part III deals with conflicts between employers and employees, arbitration and conciliation, and the like. Upon a background of general legislation on this topic in several countries is thrown an extended history of the French laws governing the matter, winding up with several projects of desirable reforms. Throughout these sections, as well as in the following one, valuable references are made to American statutes embodying the principles under discussion.

The final section, entitled "A General View of Social Institutions," portrays the precarious position of the worker under the present organization of industry, and sounds a warning to those who consider that organization one of perfection and permanence. "No one today," says Professor Pic, "will dare, we believe, to present employership as potentially containing the solution of the social problem. We are denying neither the noble aim nor the happy results of certain employers' institutions, capably managed. But it is certain that the employment system is more and more dashing itself on a fearsome rock of disaster, which is pointed out by even the most convinced partisans of employment, namely, the ominous spirit of independence on the part of the workman toward his employer."

The section concludes with a chapter on "positive law," arguing for a number of plans of social reform, among them a comprehensive system of social insurance embracing protection for old age, invalidity, widow- and orphan-hood, illness, and unemployment.

The book is a splendid reference work, and its broadness of mind makes it grateful reading. It has already gone through several editions, and in the last is thoroughly revised and brought down to date.

SOLON DE LEON.

New York.

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PRATT, EDWIN A. *Agricultural Organization*. Pp. xii, 259. Price, 3/6. London: P. S. King and Son, 1912.

This book describes the various lines of agricultural organization which have taken place in England and Wales during the past few years. The farmers of continental Europe have long been organized into effective buying, selling, and credit societies, but English farmers were among the last to realize the importance of greater coöperative effort to secure the best results in the profitable marketing of their crops. Several years ago the author published a valuable work on *The Organization of Agriculture*, which dealt almost

entirely with the farmers' coöperative movement on the continent; and the present volume may be regarded as supplementary to that work by giving a review of the development of agricultural organization in England since that time. In this undertaking which has resulted in organizing the British farmers, due credit is given to the Agricultural Organization Society which was mainly instrumental in effecting the transition in England. In recognition of the value and importance of its services, the government is aiding this society by a grant of funds to enable it to enlarge the scope of its labors in promoting agricultural coöperative associations in Great Britain.

The author briefly outlines the continental situation as regards agricultural organization, describes the status of the movement in England and Ireland, summarizes the evolution of the Agricultural Organization Society, discusses the significance of the transport problem as applied to agricultural produce, and finally devotes a large part of the book to the work of organization as already done or contemplated for the immediate future. These efforts or projects include the coöperative sale of produce, such as poultry, eggs, dairy products, live stock, grain, hay, seeds, etc.; the organization of the wool industry, the hop industry, and grist milling; and coöperative bacon factories, credit, land renting, insurance and telephones. The subject of coöperative land renting is particularly interesting as showing the value of the movement in promoting the success of small holdings.

The facts as thus presented show the needs, aims, rights and wisdom of the principles and practices of agricultural organization. The book was written to commend the subject to the attention of the British public as a national question of great importance and well deserving of their most serious and most sympathetic interest. The author's own words are right to the point in this particular when he says:

"Although Great Britain has hitherto been behind certain of the other countries in taking this all-important work in hand, the right lines have now been adopted, the difficulties of the pioneering stage have been surmounted, and a happy combination of voluntary effort and state aid, each supplementing the policy and the possibilities of the other, should ensure in the immediate future a greatly accelerated rate of progress, to the advantage alike of agriculture, of agriculturists, and of the national well-being as a whole."

The book is written in the author's usual lucid style and with a knowledge of his subject probably second to none in Great Britain. A good index adds to the value of the volume for reference purposes. In view of the lack of agricultural organization and rural credit in the United States, this book will undoubtedly prove of considerable value to rural economists and others who are interested in promoting these and similar phases of American rural life.

JAMES B. MORMAN.

*Kensington, Md.*

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PRICE, M. P. *Siberia*. Pp. xviii, 308. Price \$2.50. New York: George H. Doran Company. 1912.

The student of economic conditions in Asia finds Siberia a land of mystery and his efforts at enlightenment by means of written accounts of the country



are very unsatisfactory. Many books have been written about Siberia, but either these books are now out of date or they are, in most instances, merely records of travel along the Siberian railroad by those uninterested in the great economic, social, or political problems of Siberia, or by those whose stay in the country was so brief as to make their observations but superficial generalizations.

This book on Siberia is much more than the record of the author's journeys. A student of economic and social affairs, he has penetrated to central Siberia, not simply along the railroad, but by overland journeys into the remoter parts, has lived with the people, studied them and their country, and given in his book an account, not merely or primarily, of the adventures of a traveler, but of observations and conclusions such as the student wants and finds it so difficult to get from most books on Siberia. Additional value is given to the author's conclusions from the fact that he is intimately acquainted with Canada, a country closely akin to Siberia. Siberia, the author says, is now where Canada was a generation ago. Siberia is just beginning to form her own public opinion and to shape her own policies and faces an era of economic development of limitless possibilities.

The first half of the book is a record of the writer's journeys and observations, first by rail to the commercial center of Krasnoyarsk, thence by cart and horse to the Mongolian borderland. Here are given vivid descriptions of the life of the people—their agriculture, commerce, social and religious conditions—with illuminating accounts of local government, political exiles, frontier trappers and traders, etc. In the second half of the book the chapters are devoted to more general subjects—Colonization and Social Evolution of Siberia; Present Economic Conditions; The Economic Future of Siberia; Mongolia, in its Present Economic and Political Relation to the Russian and Chinese Empire. This last chapter is one of the most interesting and timely in the book. That China is gaining commercial superiority in Mongolia in competition with Russia is clearly shown. Mongolian wool reaches Europe via China and the sea route cheaper than by Siberia and the railroad and "Chinese merchants can sell Manchester cottons that have traveled at least 18,000 miles by sea and land cheaper than the Russian merchant can sell his Moscow tariff-protected wares only 3,000 miles from the industrial seat of Empire." Russia's activities in Mongolia are evidently largely determined by her decreasing trade. Russia is not attempting to extend the Siberian frontier southward, the author believes, nor does annexation ever pay Russia, but, he says, "There is a danger that she may acquire special economic privileges in outer China" which, extending over other parts of the Empire, would violate the open door policy to the detriment of England and other countries.

The book contains colored maps of physical and vegetation zones and of ethnographical divisions and is fully illustrated.

G. B. ROORBACH.

*University of Pennsylvania.*

RAUSCHENBUSCH, WALTER. *Christianizing the Social Order*. Pp. xii, 493, Price, \$1.50. New York: Macmillan Company, 1912.

When Dr. Rauschenbusch wrote his challenge to the churches in *Christianity and the Social Crisis*, it seemed as if he had done his work. What more was there to say? How else could the problem be treated? That volume was a trumpet call to enthusiastic Christian work.

*Christianity and the Social Crisis* has been surpassed. Dr. Rauschenbusch has written another book, dealing immediately with the institutions of modern society. First he shows a religious background in tradition, custom and heresay. Then he points to the religious influence as it has affected the home, the church, the state. Last of all he deals with industry, depicting in all its embittering brutality the barbarous struggle which from day to day seethes to and fro before the eyes of the searcher after truth. In every institution, says Dr. Rauschenbusch, the spirit of Christianity has been felt. In industry alone the spirit of barbarism, the struggle of the brute still holds sway. To such an extent is this true, that were industry put on an island alone and isolated from the other social institutions which now surround it, it would be an object of missionary endeavor on the part of Christendom. Yet even industry, the author points out, is feeling the effects, and will feel the effects still more of the Christianizing influence as industry for profit is replaced by industry for service.

The author underestimates the importance of the spirit of service running abroad in industry. He overstates the relative impetus which social ideals have gained in the other institutions, as compared with industry. Yet, in the main, his picture is terribly true, and his diagnosis of the difficulty is infallibly correct. From this book the economist turns with wonder. He has been wont to regard the theologian as a man who deals with things apart, a man unacquainted with modern thought, or with the doings of the modern world. A thoughtful reading of this wonderful book will open the eyes of the vast majority of economists to truths in their own field of thought, which they at present barely suspect.

SCOTT NEARING.

*University of Pennsylvania.*

ROBERTSON, J. M. *The Evolution of States: An Introduction to English Politics*. Pp. ix, 487. Price, \$2.50. New York: G. P. Putnam's Sons, 1913.

As the preface shows, this book is "an expansion, under a new name," of the author's *Introduction to English Politics*, published in 1900. It consists of a series of sketches showing the historical evolution of the various European nations, and closes with a sketch of English history from the Revolution to the time of Queen Anne. In each case the author discusses only the domestic politics; international politics being regarded as a distinct subject, and apparently as not affecting domestic politics. He says (p. 1): "As international politics is the sum of the strifes and compromises of states, so home politics is the sum of the strifes and compromises of classes, interests, factions, sects, theorists, in all countries and in all ages."

The first third of the book is devoted to the political, economic and culture forces emanating from Greece and Rome. These chapters cover the history of countries which formed parts of the Byzantine and the Holy Roman empires. The Italian republics, Switzerland, Holland, the Scandinavian countries, Portugal and the British Islands are treated separately. In each case the author concludes that national deterioration is not due to national traits of character or to any natural law of growth and decay, but to lack of effort on the part of the people and their governments to understand the causes of deterioration, and to their failure to provide proper political machinery for compromising and adjusting conflicts between classes and interests. He says (p. 179) that "what led Greece to dissolution and Rome to downfall, was the primary impulse to combat, the inability to refrain from jealousy, hate and war." Of the Italian republics he says (p. 239): "The central fact of disunion in Italian life . . . analyzes down to the eternal conflict of interests of the rich and the poor, the very rich and the less rich."

The present differs from the past, in the opinion of the author, in that we are now consciously directing the course of our own evolution. We have realized that by studying the history and characteristics of peoples and nations, we can discover what is wrong with ourselves and with our communities, and invent processes and institutions for making the necessary compromises and adjustments between the conflicting interests of classes. Thus modern politics has become the science which deals with the structure and working of communities. It assumes the possibility of infinite improvement of the conditions of life by conscious effort directed to this end, and aims to make all political organization more economical and efficient for settling conflicts of interest and thus bringing about justice, order and peace. The author considers that the new politics had its beginning in England, in the reign of Queen Anne, when responsible government was initiated. His conclusion is (p. 471): "With the science of universal evolution has come the faith in unending betterment. And this, when all is said, is the vital difference between ancient and modern politics: that for the ancients the fact of eternal mutation was a law of defeat and decay, while for us it is a law of renewal."

The book may well be pondered by those philosophers who are prone to make prophecies based on alleged historical parallels.

A. H. SNOW.

Washington, D. C.

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SELIGMAN, E. R. A. *Essays in Taxation*. Pp. xi, 707. Price \$4.00. New York: Macmillan Company, 1913.

This book, first published in 1895, has been enlarged by eight additional essays, while the older essays have been revised and expanded. As progress in the theory and methods of taxation becomes possible, the need for more data increases. In satisfying this demand, Professor Seligman's work has been very helpful. In this book, the author presents a large amount of material, inaccessible to most students. The opinions and conclusions of so accurate and thorough an investigator will receive the most careful consideration.

The change of emphasis in theory to be noted in the more recent essays is interesting. The individual viewpoint in taxation is now found inadequate. It must be supplemented by the social point of view or that of social economy. This social theory of finance is used to justify the distinction between earned and unearned income, as seen in recent income and inheritance taxes. The development of theory, however, requires better methods in taxation. In the essay on "Precision in Assessments," the importance of accuracy and the adoption of fixed, definite rules are emphasized.

Two essays have been incorporated, dealing with the claims of conflicting political divisions. It is urged that to meet changed economic conditions, separation of state and local revenues is necessary. With regard to federal and state relations, federal administration and state apportionment are suggested as the remedy for present interstate difficulties in levying the income, inheritance and corporation taxes. The proceeds of the latter two, however, should in large part be returned to the states.

Perhaps the most helpful additions are the essays summarizing the findings of recent reports in this country. The essential features of each report are clearly presented. In reviewing these documents, Professor Seligman finds that advance is being made toward solving the general property tax problem, that there is a growing recognition of the weakness of the local assessment of property, and that there is a marked tendency toward the separation of state and local revenues. The solution of our present problems will be greatly hastened by the increased attention being given to tax reform.

The complete references will be of great aid to the student. A bibliography on reports of special commissions on taxation is included.

RALPH E. GEORGE.

*University of Pennsylvania.*

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SMITH, SAMUEL G. *Democracy and the Church*. Pp. xv, 356. Price, \$1.50. New York: D. Appleton & Co., 1912.

This book is a notable contribution to the rapidly growing body of literature dealing with the relation of religion to the social movement. This growth is in itself significant and lends support to the author's claim that "the modern scientific movement is finding it necessary to regard the religious life of the world as a permanent department of social science."

The task which Professor Smith has set himself is the application of the genetic method to the study of the relation of the Christian Church to the development of democracy. The work, conceived in no narrow partisan spirit, has been executed with fairness of judgment, firmness of touch and a constant sense of historical perspective, and commands throughout the respect of the reader, even if he be unable to allow all the claims that are made. The author holds that Jesus is "the essential Democrat," that "this peasant Jew provides permanent vision in human history," and that when we study the principles of the teaching and example of Jesus "we are looking into the fountain-head of the ideals of democracy." But it is not merely the influence of these ideals

as modifying social life that is the object of the study. The Church as the historic institution embodying these ideals is kept constantly before the mind and its influence in the development of true democracy is traced with marked insight and discrimination. The book exhibits no sectarian interest. It makes no impression of special pleading. It sketches broadly some of the great epochs of Christian history, seeking to show how the principle of evolution applies in the development of the social influence of the Church.

The book is timely. It calls back to a sane view of the situation those both within and without the Church who, impatient with her tardy response to the social needs of the present times, are all too ready to ignore the Church as a social factor of potential value. This is really the height of folly and no one can read Professor Smith's thoughtful book without realizing the great service to the cause of democracy which the Christian Church has rendered and the unique function she is still fitted to perform in securing and maintaining the spiritual values of social life. The book may be specially commended to social workers who are convinced that the Church is hopelessly out of sympathy with modern movements of thought and action and not worthy of being taken into serious consideration as an ally in the task of social reconstruction.

GAYLORD S. WHITE.

New York.

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STRAUS, OSCAR S. *The American Spirit*. Pp. viii, 379. Price, \$2.00. New York: Century Company, 1913.

The two dozen addresses and essays which make up this book were delivered on various noteworthy occasions during the past fifteen years, or published during that time in *The North American Review* and *The Forum*. They treat of international politics, commercial diplomacy, and Judaism in America, and contain tributes to a half-dozen social leaders of the United States, England and Japan. An address on the anniversary of Washington's Birthday, 1912, entitled "The American Spirit," gives the title and the keynote of the book. It cites, as the seven great achievements in our history, the establishment of religious liberty, political independence, and a united republic under a written constitution, the abolition of negro slavery and the preservation of the Union, the vitalization of the principles of social justice, and the leadership of the world along the path of international arbitration. The author's experience in mercantile life and as Secretary of Commerce and Labor under President Roosevelt causes him to admit that this is a predominantly commercial and industrial age; but he insists that its forces may be subordinated to our democratic institutions in such manner that they shall not narrow, but shall widen, the highways of opportunity for the average man, woman and child of this and the coming generations. His long and successful service as minister and ambassador to Turkey leaves him with the optimistic belief that American diplomacy, in spite of the dollar-mark which is usually written before it, is dominated by the spirit of liberty, humanity and morality. Whether the reader of this book is able or not to agree entirely with its author's plan

for realizing social justice in our national life, or with his conclusions as to our international relations, he cannot fail to be instructed and stimulated by the cogent thought and crisp expression of its distinguished and scholarly author.

WM. I. HULL.

*Swarthmore College.*

WAGNER, H. *With the Victorious Bulgarians*. Pp. xii, 273. Price, \$3.00. Boston: Houghton, Mifflin Company, 1913.

In the closing page of this book, Lieutenant Wagner states that it "is largely based upon the news originally published in a daily paper and for this very reason can make no claim to be anything like a final and complete record."

In this appraisal of his book, most informed readers will concur, but it is nevertheless very readable.

War is hell, and everything is still fair in war—at least. That the Bulgarian government should have retained Lieutenant Wagner to send out misleading reports as to the conduct of the war, and the maneuvers was thoroughly explicable and probably justifiable. Nor is it surprising that Lieutenant Wagner should be able to report (on page 259) that after confessing everything to Premier Gueshov, he "received from His Excellency a general absolution."

Many parts of the book seem overdrawn—for instance the statement, "The tramways were no longer working, or women were acting as conductors" in Sofia. When the writer was there in November and in December they were regularly operated by men, nor, I was informed, had there been any interruption of such service. The accuracy of the statements as to army maneuvers, etc., can be confirmed only by an examination of official records. The book was written before the war was concluded, even before Adrianople fell. The author makes it clear, however, that the war was won and so justifies the term victorious, even had Adrianople not capitulated.

His analysis of the causes of the war is good, even though he underestimates the economic reasons. He slurs the mistakes of the Bulgarians, and so weakens his case, for to admit the occasional error of subordinates could not detract from the consummate ability of General Savoff and nearly all of the officers of first and lower rank. The marvelous achievement of the victorious Bulgarians in war, and in their preparation for war, is well depicted, but little reference even is made to their phenomenal, economic and agricultural and industrial progress during the past quarter century which made possible the financing of this war which the combined financial force of the world was exerted to prevent.

The cruel and un-Christian conduct of the so-called Christian powers of Europe who made necessary this needless war, is not mentioned or at best only in veiled language.

The book is readable but a more appropriate title would be, "The War of the Victorious Bulgarians."

BENJAMIN MARSH.

*New York.*

WARD, EDWARD J. *The Social Center*. Pp. x, 359. Price, \$1.50. New York: D. Appleton and Company, 1913.

In this volume Edward J. Ward, the enthusiastic apostle of democracy, sets forth in an interesting way his own experience in the recent movement for the community use of the public schools in Rochester and in Wisconsin. The political significance of these efforts to develop an enlightened public opinion by making each neighborhood schoolhouse the meeting place of a self-organized, non-partisan, deliberative body, is first discussed at length. The recreational and educational activities of the magnified school are then taken up. Successive chapters deal with the school as Festival, Art, Music, and Recreation Center; as Public Lecture, Branch Library and Employment Center; and as Public Health Office. One illuminating chapter treats the Social Center in Rural Communities. The author makes copious quotations from writers on each subject; the final chapters consider the reaction of the newer uses of the school upon our educational system—both university and public school.

But the various new uses of the school for which such extravagant claims are made—in the attempt to show the school, in theory, at least, the all-comprehensive social institution—must prove their value experimentally before being accepted; enlargement of function will certainly come gradually, and only where other organizations have not been developed to fill recognized social needs.

The innovation of the use of the schoolhouse as public forum, however, seems already to have received the approval of our political leaders who have the social welfare at heart. Justice Hughes said at a Rochester civic meeting: "I am more interested in what you are doing and what it stands for than anything else in the world; you are buttressing the foundations of democracy. And President Wilson, at the first national social center conference at Madison declared: "What I see in this movement is a recovery of the constructive and creative genius of the American people."

F. D. TYSON.

*New York School of Philanthropy.*

WILCOX, DELOS F. *Government by All the People*. Pp. xi, 324. Price \$1.50. New York: Macmillan Company, 1912.

The author has not attempted to discuss the specific forms of the Initiative, Referendum and Recall that have been adopted in various states and cities, or to cite in support of the argument for them the experience of these states and cities.

The work is divided into four parts: Part I, the introduction, discusses the conditions that led to the current revival in democracy. Part II explains the Initiative, and discusses the objections to it,—namely that it would destroy constitutional stability; would foster the tyranny of the majority; would tend to the subversion of judicial authority; would result in unscientific legislation and would lead to radical legislation, and that it would be used by special

interests to get the better of the people. He then turns to the arguments in its favor: that it would utilize the individual in politics; that it would result in the drafting of new laws by those who wish them to succeed; that it would enable the sovereign to enforce its will without the consent of the legislature; and that it would provide an orderly means of extending or restricting the suffrage.

Part III explains the Referendum, and discusses the objections to it: that it would afford the legislative branch an excuse for shirking responsibility; that it would interfere with the orderly performance of governmental functions. The author then discusses the arguments in its favor,—namely, that it would remove temptation from the legislative branch by withdrawing its ultimate power to bestow special privileges; that it would conduce to the conservation of public resources, and that it would serve to keep legislation in line with public sentiment.

Part IV explains the Recall and overthrows the objections to it; that it would tend to weaken official courage and independence, make public offices less attractive to high-class men, and would violate the moral right of the official to hold office during the full term for which he was chosen. He decides in its favor, especially because, through it, the people would have a continuing right to correct mistakes in the selection of their public servants, and because it would clear the way for the concentration of responsibility and longer official tenures. He feels that the recall of judges may not be a necessary, nor even the best remedy, for the practical abuses that flourish in the courts. He thinks its chief danger would be, however, not that it would degrade the courts and make the judges mere puppets of the people's will, but that it might not prove effective as a remedy for present judicial conditions. He feels that the present judicial situation imposes conservatism upon the people through an inflexible institution, and that the imposition of arbitrary restraints upon the people will lead to discontent and ultra-radicalism. Part V is given over to the considerations for and against majority rule:—the effect of the Initiative, the Referendum and the Recall combined.

There is a good index. Like the other works from Dr. Wilcox's pen, this volume is the result of careful, inclusive study. It easily takes its place at once among the leading two or three books on the subject.

CLYDE L. KING.

*University of Pennsylvania.*



## REPORT OF THE COMMITTEE IN CHARGE OF ANNUAL MEETING OF THE ACADEMY, APRIL 4 AND 5, 1913

The unexpected absence of the President of the Academy at the time of the Annual Meeting, because of his recent appointment to government service at Panama, gives the committee an opportunity to thank him for the time and effort he had spent in making preliminary arrangements for the program. He had accomplished so much that there remained little for the committee to do except to complete details.

The committee takes this opportunity to express its sincere thanks to those who took part in the discussions. It is significant of the growing regard in which the Academy is held that with a single exception every invited speaker was present and took part, the one exception being through illness, of which we were notified in time to find a substitute.

We also wish to express our gratitude to the friends who so generously contributed towards the expenses of the Annual Meeting, including the providing of luncheons for visiting guests on Friday and Saturday.

We wish to express our appreciation of the services of Prof. Samuel McCune Lindsay, Prof. Irving Fisher, Mr. Porter R. Lee of the New York School of Philanthropy, Hon. Morris L. Cooke, Director of Public Works of Philadelphia, Prof. R. C. McCrea, Dean of the Wharton School of the University of Pennsylvania, and Hon. E. E. Clark, Chairman of the Interstate Commerce Commission—the gentlemen who presided at the six sessions of the Annual Meeting.

The morning and afternoon sessions were more largely attended than in any previous year and the interest in the subjects treated was so great that there were always numbers waiting for an opportunity to take part in the discussions when it became necessary to close the meetings. The July *ANNALS* contains most of the papers presented at the several sessions.

CARL KELSEY, *Chairman*  
ALBA B. JOHNSON, Philadelphia  
EMORY R. JOHNSON, Philadelphia  
CHESTER LLOYD JONES, Madison  
MARTIN A. KNAPP, Washington  
WILLIAM DRAPER LEWIS, Philadelphia  
SAMUEL McCUNE LINDSAY, New York.  
SIMON N. PATTEN, Philadelphia  
WILLIAM W. PORTER, Philadelphia  
L. S. ROWE, Philadelphia  
HENRY R. SEAGER, New York  
ISAAC N. SELIGMAN, New York  
FREDERIC H. STRAWBRIDGE, Philadelphia  
TALCOTT WILLIAMS, New York  
ASA S. WING, Philadelphia  
STUART WOOD, Philadelphia

*Committee.*



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# THE NEGRO'S PROGRESS IN FIFTY YEARS

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# NEGRO POPULATION IN THE UNITED STATES

BY THOMAS JESSE JONES, PH.D.,

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Will the ten million Negroes now in the United States continue to increase at the 100 per cent rate of the last 50 years? How long will they remain 75 per cent rural? Is the cityward tide affecting them equally with the white population? To what extent are they leaving the South and moving into the North? A moment's reflection will show that these are among the most vital questions confronting the serious minded people of our land.

## *Increase of Negro Population*

According to the United States Census Bureau the increase of the Negro population was 120 per cent in the 50 years between 1860 and 1910. This population in 1860 was four and a half million (4,441,830). In 1910 the number had increased to practically ten million (9,827,763). It is interesting to note by way of comparison that the foreign-born population of the country was about two million in 1860 and thirteen and a third million in 1910. These two groups form a total of about 23 million people, or a fourth of our total population. In view of the many serious problems of social adjustment presented by each of these groups, it is quite significant that they should form such a large proportion of our population.

Much interest has been aroused by the fact that the 1910 census showed an increase for the Negro population of only 11.2 per cent as against 18 per cent for 1900. This fact has strengthened the belief of those who have been giving periodic expression to their claim that the Negro is "dying out." Even a casual study of the question, however, shows that such a conclusion is not well founded. In the first place, an increase of 11.2 per cent is about equal to the natural increase of any of the European people. The 1911 census of the English people, for example, reported an increase by excess of births over deaths of 12.4 per cent. This rate for 1910 was only 11.6 per cent. In the second place, the abrupt drop from 18 per cent of the

Negro population in 1900 to 11.2 per cent in 1910 is explained by errors in the censuses prior to 1900 and not by any abnormal changes in the Negro people. An examination of the following rates of increase since 1860 throws much light on this subject:

Decade	Increase	Per cent of increase
1900-1910.....	993,769	11.2
1890-1900.....	1,345,318	18.0
1880-1890.....	907,883	13.8
1870-1880.....	1,700,784	34.9
1860-1870.....	438,179	9.9

The well known errors of the 1870 enumeration of the South explain the abnormal increase reported for that decade. The sudden increase from 13.8 per cent in 1890 to 18 per cent in 1900 and the drop in the rate of increase to 11.2 in 1910 clearly indicate errors in some of these percentages. The explanation of these irregularities now given by those familiar with these three censuses is that the census of 1890 was an undercount, thus causing the census of 1900 to include not only the regular increase of the decade 1890 to 1900 but also the number of those not counted in 1890. The percentages of increase readjusted to eliminate the errors would be:

Decade	Per cent of increase
1900-1910.....	11.2
1890-1900.....	14.0
1880-1890.....	18.0
1870-1880.....	22.0
1860-1870.....	21.3

According to this series there has been a gradual decrease in the rate of increase for the Negroes of the United States so that the increase in 1910 was about one million persons in ten years, or 11.2 per cent. A comparison of this descending series with that of any normal European people increasing only by the excess of births over deaths makes it quite clear that a decreasing rate of increase ending in a rate of about 11 or 12 per cent is quite normal. While the returns of the 1910 census are a fairly accurate measure of the increase of the Negro people in the United States and undoubtedly nearer

to the truth than the returns of any previous census, there is little doubt that the omissions in the case of the Negro population were greater than in the case of the whites. The most definite evidence of these omissions is the apparent undercount of Negro children under 5 years of age. A study of the following figures from the 1910 census shows the probability of such omissions:

Age period	Native white of native parentage	Negro
Under 5 years of age		
Number.....	6,546,282	1,263,288
Per cent.....	13.2	12.9
5 to 9 years of age		
Number.....	5,861,015	1,246,553
Per cent.....	11.8	12.7

The numerical relation of these two age groups under normal conditions is seen in the figures for the whites. It is to be expected that the second group will be less than the first because of the deaths that have occurred during the first period. In the case of the native white of native parents the difference is 1.4 per cent whereas in the Negro groups the difference is only 0.2 per cent. There are three possible causes for this condition, namely, a high infant mortality, a sudden decrease in the birth-rate, and omissions of children by the census. The probability is that the three causes operated more strongly in the case of the Negro children than in that of the white, but the major causes of the abnormal relation of the age groups of the Negro children are undoubtedly the high rate of infant mortality and the failure of the enumerators to count Negro children.

#### *Distribution and Proportion*

While the rate of increase of the Negro population is about equal to that of the average European nation, the proportion which they form of the total population of the United States is steadily decreasing. In 1860 the Negro population was 14.1 per cent of the total population. By 1910 this proportion had decreased to 10.7 per cent. Not only is this true of the total population but it applies also to almost all of the Southern States. Only in the Northern States does the Negro population fail to show a decrease in the proportion which

they form of the total population, this proportion being 1.8 for both 1900 and 1910.

*Proportion North and South.* In view of the increasing discussion of the northward movement of the Negroes, it is important to note the census returns on this subject. The following table compares the proportion of all Negroes living in the North with that in the South in 1910 and in 1900:

	South	North
1910		
Number.....	8,749,427	1,078,336
Per cent.....	89.0	11.0
1900		
Number.....	7,922,969	911,025
Per cent.....	89.7	10.3

These figures seem to indicate that the Negroes are maintaining their proportion both in the North and in the South. The change toward the northern and western sections is less than one per cent of the total Negro population. The increase of Negroes in the Northern states was 167,311 persons, or about 18 per cent between 1900 and 1910. In the decade ending in 1900 the increase was 182,926, or about 25 per cent. It would appear from these figures, then, that the northward movement of the Negroes was really less in the last decade than in the one preceding.

Interesting information on the movement away from the South during the last 20 or 30 years is given in the census returns on the state of birth of the persons enumerated. According to the census of 1910 there were in the North and West 440,534 Negroes born in the South. Negroes born in the North and West now living in the South were 41,489. The net loss of Negroes of the South to the North and West was, therefore, 399,045. By the same process Southern whites show a net loss of only 46,839.

*States and Counties.* The increase of the Negro population for the last decade is well distributed over the states. The largest gains among the Northern States were those for New York with 35,000 or 35 per cent, Pennsylvania with 37,000 or 23 per cent, and Illinois with 24,000 or 28 per cent. The Negro population of California made the largest gain adding 11,000 people, or 96 per cent in the

decade ending in 1910. The smallest increase, only 2 per cent, is reported for the seven states immediately west of the Mississippi from Minnesota to Kansas.

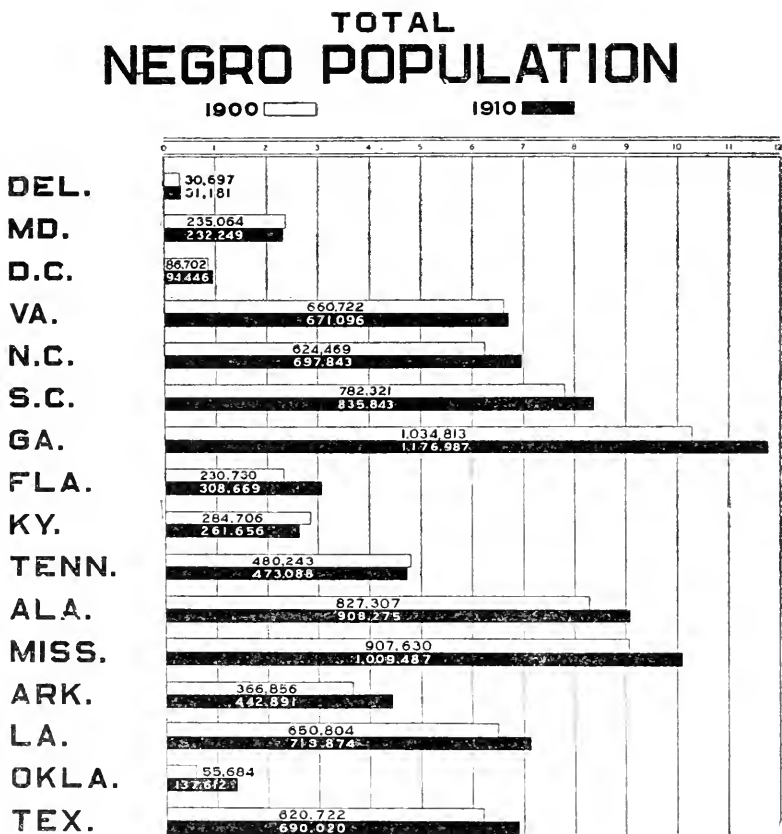
Closely related to the northward trend discussed above is the rearrangement of the population by states and counties. Among the most striking facts shown by the last two censuses are the decreases and the small increases of the Negro population in the border states. Of the six states in which the Negro population decreased during the last ten years, four of them—Maryland, Kentucky, Tennessee and Missouri—are border states. The increases for Virginia and Delaware were so small that they can be classed with the retarded group. A comparison of the movement of the white and Negro population in counties of the border states brings out some striking contrasts. In the 98 counties of Virginia, for example, the whites gained in 84, while the Negroes lost in 68. Similar contrasts appear in the figures for each of the border states. It is quite clear, then, that the movements of the whites and Negroes of the border states are quite different. The probability is that the Negroes of these states are attracted to the cities of neighboring Northern States by what appears to them superior economic and educational opportunities in these states.

The study of the county population of the more southern South, from South Carolina to Louisiana, presents a very different situation, as regards the movement of the white and Negro population, from that of the border states. In the 67 counties of Alabama, for example, the whites increased in 51 counties, in the decade 1900 to 1910, and the Negroes increased in 43 counties. Each of the cotton states with their large Negro population shows a stability of population and a prevalence of gains that contrast quite strikingly with the losses and differences of the border states. The population movements of these states seem to be governed by the same forces. At any rate, the two classes of the population apparently move and increase together.

The two charts which follow help to explain some of the points already made and present a number of other interesting facts as to the distribution of Negro population. The primary purpose of the chart entitled "Total Negro Population" is to facilitate the comparison of the Negro population of Southern States in 1900 and in 1910.

One glance at the chart will show that Delaware has the shortest lines, indicating a Negro population of 30,697 in 1900 and 31,181 in

1910, while Georgia has the longest lines with a population of 1,034,813 in 1900 and 1,176,987 in 1910. The "big four" of the Southern States are evidently Georgia, Mississippi, Alabama, and South Carolina, in the order named. The second point shown on this chart is the change which has taken place in the number of Negroes since 1900. The



most striking fact disclosed is the substantial increases of the more Southern States and the decreases or small increases of the border states. The three states decreasing in Negro population are as follows: Maryland, 1.2 per cent; Tennessee, 1.5 per cent; and Kentucky, 8.1 per cent. The probable explanation of these decreases has been given above. The percentages of increase in the remaining states

shown on the chart are as follows: Delaware, 1.6; District of Columbia, 8.9; Virginia, 1.6; West Virginia, 47.5; North Carolina, 11.7; South Carolina, 6.8; Georgia, 13.7; Florida, 33.8; Alabama, 9.8; Mississippi, 11.2; Arkansas, 20.7; Louisiana, 9.7; Oklahoma, 147.1; Texas, 11.2. While the absolute Negro population has increased in all but three of the Southern States, the proportion which they form of the total population has decreased in practically every Southern State. In 1900 the Negroes were 32.3 per cent of the total population of the South. By 1910 this percentage had decreased to 29.8 per cent. Over 50 per cent of the population of Mississippi and South Carolina are Negroes. Georgia, Florida, Alabama, and Louisiana are over 40 per cent, and Virginia and North Carolina are over 30 per cent Negro. These percentages are shown on the following chart for all of the Southern States.

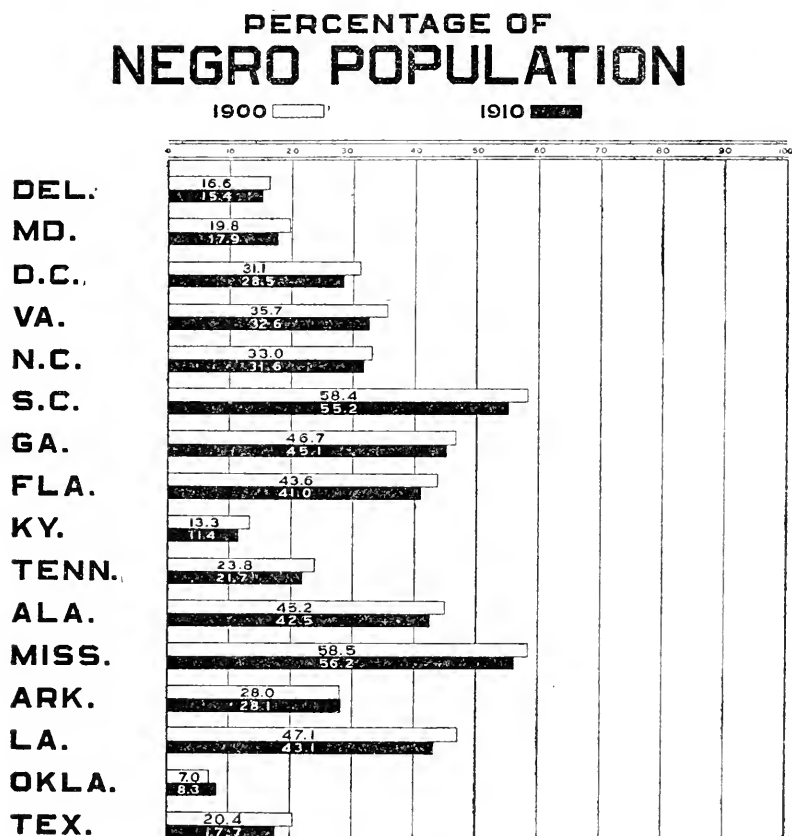
*Urban and Rural.* In the South the movement of the Negroes into the cities is about the same as that for the white population. The following percentages of urban population show how parallel the movement is for both races in the nine Southern States which the figures represent:

	1910	1900	1890
White.....	18.9	14.0	11.6
Negro.....	17.7	14.7	11.8

Up to the last decade the proportion of the Negro population that lived in the cities of the South was practically the same as the proportion of the white population. In 1890 the proportion for each race was about 12 per cent. By 1900 these percentages had increased to 14.0 and 14.7, respectively. In the last decade the white people have sent a larger proportion of their number to the cities than the Negroes. These facts are in agreement with the statements made above concerning the southern South.

Another fact, easily confused with the statement just made and not often realized, is the statement in a recent publication of the census bureau to the effect that the Negroes form about the same proportion of the urban population of the South as they do of the rural population. In the three Southern groups of states the Negro formed 29.4, 32.3 and 22.3 per cent of the urban population and 35.2,

31.4 and 22.7 per cent of the rural population. It would appear from these figures that in numerical strength the Negro is as important a factor of the urban population of the South as he is of the rural districts of that section.



In the North, the urban and rural distribution of the Negroes reverses the proportion of the South. In New England, for example, 91.8 per cent of the Negroes lived in urban communities; in the middle Atlantic States 81.2; and in the East North Central States including Illinois and its neighboring states the urban proportion was 76.6. All of these figures support the conclusion of the census bureau that



the Negroes who have migrated from the South have to a large extent gone to the cities.

The following table is a statement of some important facts concerning all the cities which contained at least 10,000 in 1910.

	NEGRO POPULATION		Percent of Increase 1900-1910	Proportion Negro in total population
	1910	1900		
Washington, D. C.....	94,446	86,702	8.9	28.5
New York, N. Y.....	91,709	60,666	51.2	1.9
New Orleans, La.....	89,262	77,714	14.9	26.3
Baltimore, Md.....	84,749	79,258	6.9	15.2
Philadelphia, Pa.....	84,459	62,613	34.9	5.5
Memphis, Tenn.....	52,441	49,910	5.1	40.0
Birmingham, Ala.....	52,305	16,575	215.6	39.4
Atlanta, Ga.....	51,902	35,727	45.3	33.5
Richmond, Va.....	46,733*	32,230	31.4	36.6
St. Louis, Mo.....	43,960	35,516	23.8	6.4
Chicago, Ill.....	44,103	30,150	36.3	2.0
Louisville, Ky.....	40,522	39,139	3.5	18.1
Nashville, Tenn.....	36,523	30,044	21.6	33.1
Savannah, Ga.....	33,246	28,090	18.3	51.1
Charleston, S. C.....	31,056†	31,569	1.5†	52.8
Jacksonville, Fla.....	29,293	16,236	81.0	50.8
Pittsburgh, Pa.....	25,623	17,040	25.9	4.8
Norfolk, Va.....	25,039	20,230	23.7	37.1
Houston, Texas.....	23,929	14,608	63.1	30.4
Kansas City, Mo.....	23,566	17,567	24.1	9.5
Mobile, Ala.....	22,763	17,045	33.4	44.2
Indianapolis, Ind.....	21,816	15,931	36.9	9.3
Cincinnati, Ohio.....	19,639	14,482	35.6	5.4
Montgomery, Ala.....	19,322	17,229	12.1	50.7
Augusta, Ga.....	18,344†	18,487	0.7†	44.7
Macon, Ga.....	18,150	11,550	57.1	44.6
Chattanooga, Tenn.....	17,942	13,122	36.8	40.2
Little Rock, Ark.....	14,539†	14,694	1.0†	31.6
Boston, Mass.....	13,564	11,591	17.0	2.0
Wilmington, N. C.....	12,107	10,407	16.3	....
Petersburg, Va.....	11,014	10,751	2.4	....
Lexington, Ky.....	11,011	10,130	8.7	....

\* Includes population of Manchester.

† Decrease.

## PROFESSIONAL AND SKILLED OCCUPATIONS

BY KELLY MILLER, LL.D.,

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The world's workers may be divided into two well-defined classes: (1) those who are concerned in the production and distribution of wealth, and (2) those whose function is to regulate the physical, intellectual, moral, spiritual, and social life of the people. The sustaining element includes workers in the field of agriculture, domestic and personal service, trade and transportation, and in manufacturing and mechanical pursuits. The governing class comprises government officials, ministers, teachers, physicians, lawyers, editors, and authors. The great bulk of the population representing the toiling masses is found under the first head, while a comparatively small number is required for the so-called learned professions. In the United States, the two elements are divided in the approximate ratio of twenty to one. Traditionally, these two classes have been separated by a wide and deep social gulf. All honor and glory have attached to the higher professional pursuits, while those who recruited the ranks of the toiling world have been accorded a distinctively lower order of consideration and esteem. The youth who were most highly gifted by nature or favored by fortune naturally sought careers in the genteel professions, leaving those of lesser gifts and limited opportunity to recruit the ranks of the lower order of service. Present tendency, however, is against this hard and fast demarcation. Distinction is made to depend upon success, and success upon efficiency, regardless of the nature of the pursuit or vocation. Honor and shame no longer attach to stated occupations or callings, but depend upon achievement in work rather than in choice of task.

The Negro was introduced into this country for the purpose of performing manual and menial labor. It was thought that, for all time to come, he would be a satisfied and contented hewer of wood, drawer of water and tiller of the soil. He was supposed to represent a lower order of creation, a little more than animal and a little less

than human. The dominant dogma of that day denied him capacity or aspiration to rise above the lowest level of menial service. He was deemed destined to everlasting servility by divine decree. His place was fixed and his sphere defined in the cosmic scheme of things. There was no more thought that he would or could ever aspire to the ranks of the learned professions than that like ambition would ever actuate the lower animals. Much of this traditional bias is brought forward and reappears in the present day attitude on the race problem. There still lingers a rapidly diminishing remnant of infallible philosophers who assume intimate acquaintance with the decrees of the Almighty and loudly assert that the Negro is God-ordained to everlasting inferiority. But those who assume foreknowledge with such self-satisfied assurance prudently enough fail to tell us of their secret means of familiarity with the divine plans and purposes. They do not represent the calibre of mind or quality of spirit through which such revelation is usually vouchsafed to man. From this school of opinion, the Negro's aspiration to enter the learned professions is met with ridicule and contempt. The time, money, and effort spent upon the production and preparation of this class have been worse than wasted because they tend to subvert the ordained plan. Higher education is decried; industrial education, or rather the training of the hand, is advised, as the hand is considered the only instrument through which the black man can fulfill his appointed mission.

But social forces, like natural laws, pay little heed to the noisome declaration of preconceived opinion. The inherent capacities of human nature will assert themselves despite the denial of the doctrinaire. The advancement of the Negro during the past fifty years has belied every prediction propounded by this doleful school of philosophy. Affirmed impossibilities have come to pass. The "never" of yesterday has become the actuality of today.

In a homogeneous society where there is no racial cleavage, only the select members of the most favored class of society occupy the professional stations. The element representing the social status of the Negro would furnish few members of the coveted callings. The element of race, however, complicates every feature of the social equation. In India, we are told, the population is divided horizontally by caste and vertically by religion. But in America, the race spirit serves as both a horizontal and a vertical separation.

The Negro is segregated and shut into himself in all social and semi-social relations of life. This isolation necessitates separate ministrative agencies from the lowest to the highest rungs of the ladder of service. During the days of slavery, the interest of the master demanded that he should direct the general social and moral life of the slave. The sudden severance of this tie left the Negro wholly without intimate guidance and direction. The ignorant must be enlightened, the sick must be healed, the poor must have the gospel preached to them, the wayward must be directed, the lowly must be uplifted, and the sorrowing must be solaced. The situation and circumstances under which the race found itself demanded that its ministers, teachers, physicians, lawyers, and editors should, for the most part, be men of their own blood and sympathies. The demands for a professional class were imperative. The needed service could not be effectively performed by those who assume and assert racial arrogance and hand down their benefactions as the cold crumbs that fall from the master's table. The help that is to be helpful to the lowly and the humble must come from the horizontal hand stretched out in fraternal good will, and not the one that is pointed superciliously downward. The professional class who are to uplift and direct the lowly and humble must not say "So far shalt thou come but no farther," but rather "Where I am there ye shall be also."

There is no more pathetic chapter in the history of human struggle than the smothered and suppressed ambition of this race in its daring endeavor to meet the greatest social exigency to supply the professional demand of the masses. There was the suddenness and swiftness of leap as when a quantity in mathematics changes signs in passing through zero or infinity. In an instant, in the twinkling of an eye, the plow-hand was transformed into the priest, the barber into the bishop, the house-maid into the school-mistress, the porter into the physician, and the day-laborer into the lawyer. These high places of intellectual and moral authority into which they found themselves thrust by stress of social necessity, had to be operated with at least some semblance of conformity with the standards which had been established by the European through the traditions of the ages. The high places in society occupied by the choicest members of the white race after years of preliminary preparation had to be assumed by men without personal or formal fitness.

The stronger and more aggressive natures pushed themselves into these high callings by sheer force of untutored energy and uncontrolled ambition. That there would needs be much grotesqueness, mal-adjustment, and failures goes without saying. But after making full allowance for human imperfections, the 50,000 Negroes who now fill the professional places among their race represent a remarkable body of men, and indicate the potency and promise of the race.

The federal census of 1900 furnishes the latest available data of the number of Negroes engaged in the several productive and professional pursuits.

Allowance, of course, must be made for growth in several departments during the intervening thirteen years.

#### NEGROES ENGAGED IN PRODUCTIVE AND DISTRIBUTIVE PURSUITS, 1900

Agriculture.....	2,143,154
Domestic and personal service.....	1,317,859
Trade and transportation.....	208,989
Manufacturing and mechanical pursuits.....	<u>275,116</u>
Total.....	3,945,118

#### NEGROES ENGAGED IN PROFESSIONAL SERVICE, 1900

Clergymen.....	15,528
Physicians and surgeons.....	1,734
Dentists.....	212
Lawyers.....	728
Teachers.....	21,267
Musicians and teachers of music.....	3,915
Architects, designers, draughtsmen.....	52
Actors, professional showmen, etc.....	2,020
Artists and teachers of art.....	236
Electricians.....	185
Engineers and surveyors.....	120
Journalists.....	210
Literary and scientific persons.....	99
Government officials.....	645
Others in professional service.....	<u>268</u>
Total.....	47,219

From these tables it will be seen that only 1 Negro worker in 84 is engaged in professional pursuits. Whereas, 1 white person in 20 is found in this class. According to this standard the Negro has less than one-fourth of his professional quota.

The Negro ministry was the first professional body to assume full control and direction of the moral and spiritual life of the masses. As soon as the black worshipper gained a conscious sense of self-respect, which the Christian religion is sure to impart, he became dissatisfied with the assigned seats in the synagogue. The back pews and upper galleries did not seem compatible with the dignity of those who had been baptized into the fellowship and communion of the saints. With the encouragement of the whites, the Negro worshippers soon set up their own separate houses of worship. There arose a priesthood, after the manner of Melchizedek, without antecedent or preparation. But, notwithstanding all their disabilities, these comparatively ignorant and untrained men have succeeded in organizing the entire Negro race into definite religious bodies and denominational affiliations. The Baptist and Methodist denominations, which operate on the basis of ecclesiastical independence, have practically brought the entire race under their spiritual dominion. This is the one conspicuous achievement placed to the credit of the race by way of handling large interests. Passing over the inevitable imperfections in the development of the religious life of the race, the great outstanding fact remains that this vast religious estate, comprising 30,000 church organizations, with a membership of over 3,500,000 communicants, upon a property basis of \$56,000,000, has been organized and handed down to the rising generation as its most priceless inheritance. The Negro church is not merely a religious institution, but comprises all the complex features of the life of the people. It furnishes the only field in which the Negro has shown initiative and executive energy on a large scale. There is no other way to reach the masses of the race with any beneficent ministrations except through the organizations that these churches have established. The statesmanship and philanthropy of the nation would do well to recognize this fact. Indeed, it is seriously to be questioned if any belated people, in the present status of the Negro, can be wisely governed without the element of priestcraft. Broadly speaking, the Negro is hardly governed at all by the state, but merely coerced and beaten into obedience. He is not encouraged to have any comprehensive understanding of or participating hand in the beneficent aims and objects of government. The sheriff and the trial judge are the only government officials with whom he is familiar; and he meets with these only when his life or his property

is in jeopardy. If it were not for the church, the great mass of the Negro race would be wholly shut off from any organized influence touching them with sympathetic intent. As imperfect as the Negro church must be in many of its features, it is the most potential uplifting agency at work among the people. Eliminate the church, and the masses of the people would speedily lapse into a state of moral and social degeneration worse than that from which they are slowly evolving. The great problem in the uplift of the race must be approached through the pulpit. The Negro preacher is the spokesman and leader of the people. He derives his support from them and speaks, or ought to speak, with the power and authority of the masses. He will be the daysman and peacemaker between the races, and in his hands is the keeping of the key of the destiny of the race. If these 30,000 pulpits could be filled in this generation by the best intelligence, character, and consecration within the race, all of its complex problems would be on a fair way towards solution. The ignorance of the ministry of the passing generation was the kind of ignorance that God utilizes and winks at; but He will not excuse or wink at its continuance. It is a sad day for any race when the "best they breed" do not aspire to the highest and holiest as well as the most influential callings; but it will be sadder still for a retarded race, if its ministry remains in the hands of those who are illy prepared to exercise its high functions.

The rise of the colored teacher is due to the outcome of the Civil War. The South soon hit upon the plan of the scholastic separation of the races and assigned colored teachers to colored schools as the best means of carrying out this policy. There were at first a great many white teachers mainly from the North, but in time, the task of enlightening the millions of Negro children has devolved upon teachers of their own race. It was inevitable that many of the teachers for whom there was such a sudden demand should be poorly prepared for their work. It was and still is a travesty upon terms to speak of such work as many of them are able to render as professional service.

Among the white race, the teacher has not yet gained the fullness of stature as a member of the learned professions. They do not constitute a self-directing body; both are controlled as a collateral branch of the state or city government, of which they constitute a subordinate part. The ranks are recruited mainly from

the female sex. In case of the Negro teacher, these limitations are severely emphasized. The orders and directions come from the white superintendent, but there is some latitude of judgment and discretion in a wise and sensible adaptation. The great function of the Negro teacher is found in the fact that she has committed to her the training of the mind, manners, and method of the young who are soon to take their place in the ranks of the citizenship of the nation. While there is wanting the independent scope which the preacher exercises in the domain of moral and spiritual control, nevertheless the teacher exercises a most important function in the immediate matters committed to her. The Negro teacher has the hardest and heaviest burden of any other element of the teaching profession. Education means more to the Negro than it does to the white child who from inheritance and environment gains a certain coëfficiency of power aside from the technical acquisition of the school room. The teacher of the Negro child, on the other hand, must impart not only the letter, but also the fundamental meaning of the ways and methods of civilized life. She should have a preparation for work and the fixed consecration to duty commensurate to the imposed task.

The colored doctor has more recently entered the arena. At first, the Negro patient refused to put confidence in the physicians of his own race, notwithstanding the closer intimacy of social contact. It was only after he had demonstrated his competency to treat disease as skillfully as the white practitioner that he was able to win recognition among his own people. The colored physician is still in open competition with the white physician, who never refuses to treat the Negro patient if allowed to assume the disdainful attitude of racial superiority. If the Negro doctor did not secure practically as good results in treating disease as the white practitioner, he would soon find himself without patients. He must be subject to the same preliminary test of fitness for the profession, and must maintain the same standard of efficiency and success. The Negro physicians represent the only body of colored men, who, in adequate numbers, measure up to the full scientific requirements of a learned profession.

By reason of the stratum which the Negro occupies in our social scheme, the race is an easy prey to diseases that affect the health of the whole nation. The germs of disease have no race



prejudice. They do not even draw the line at social equality. The germ that afflicts the Negro today will attack the white man tomorrow. One touch of disease makes the whole world kin, and also kind. The Negro physician comes into immediate contact with the masses of the race. He is a sanitary missionary. His ministrations are not only to his own race, but to the community and to the nation as a whole. The dreaded white plague which the nation desires to stamp out by concerted action seems to prefer the black victim. The Negro physician is one of the most efficient agencies in helping to stamp out this dread enemy of mankind. His success has been little less than marvelous. In all parts of the country he is rendering efficient service and is achieving both professional and financial success. Educated Negro men are crowding into this profession and will of course continue to do so until the demand has been fully supplied. The race can easily support twice the number of physicians now qualified to practice.

The Negro lawyer has not generally been so fortunate as his medical confrere. The relation between attorney and client is not necessarily close and confidential as that of physician and patient, but is more business-like and formal. The client's interests are also dependent upon the judge and jury with whom the white attorney is sometimes supposed to have greater weight and influence. For such reasons, there are fewer Negroes in the profession of law than in the other so-called learned professions. The Negro lawyer is rapidly winning his way over the prejudice of both races, just as the doctor has had to do. There are to be found in every community examples of the Negro lawyer who has won recognition from both races and who maintains a high standard of personal and professional success. A colored lawyer was appointed by President Taft as assistant attorney-general of the United States, and by universal testimony conducted the affairs of his office with the requisite efficiency and dignity. As Negro enterprises multiply and develop, such as banks, building associations, and insurance companies, and the general prosperity of the people increases, the Negro lawyer will find an increasing sphere of usefulness and influence.

Negroes are also found in all the other professional pursuits and furnish a small quota of editors, engineers, electricians, authors, and artists. Merchants, bankers, and business men are rapidly increasing in all parts of the country. Apprehension is sometimes

felt that colored men will rush to the learned professions to the neglect of the humbler lines of service. The facts show that the race at present has not more than a fourth of its quota in the professional pursuits. The demand will always regulate the supply. When the demand has been supplied in any profession, the overflow, will seek outlet in unoccupied fields.

The uplift and quickening of the life of the race depends upon the professional classes. The early philanthropist in the Southern field acted wisely in developing leaders among the people. Philanthropy at best can only furnish the first aid and qualify leaders. The leaders must then do the rest. Any race is hopeless unless it develops its own leadership and direction. It is impossible to apply philanthropy to the masses except through the professional classes.

The higher education of the Negro is justified by the requirements of the leaders of the people. It is a grave mistake to suppose that, because the Negro is relatively backward as compared to the white man, his leaders need not have the broadest and best education that our civilization affords. The more backward and ignorant the led, the more skilled and sagacious should the leader be. It requires more skill to lead the helpless than to guide those who need no direction. If the blind lead the blind, they will both fall into the ditch. The professional class constitutes the light of the race. The Negro needs headlight to guide him safely and wisely amid the dangers and vicissitudes of an environing civilization.

The Negro teacher meets with every form of ignorance and pedagogical obtuseness that befalls the white teacher; the Negro preacher has to do with every conceivable form of original and acquired sin; the doctor meets with all the variety of disease that the human flesh is heir to; the lawyer's sphere covers the whole gamut involving the rights of property and person. The problems involved in the contact, attrition, and adjustment of the races involve issues which are as intricate as any that have ever taxed human wisdom for solution. If, then, the white man who stands in the high place of authority and leadership among his race, fortified as he is by a superior social environment, needs to qualify for his high calling by thorough and sound educational training, surely the Negro needs a no less thorough general education to qualify him to serve as philosopher, guide, and friend of ten million unfortunate human beings.

## THE NEGRO IN UNSKILLED LABOR

By R. R. WRIGHT, Jr., Ph.D.,

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By the term "unskilled labor," as used in this paper, is meant that class of labor which requires the least training of mind and the least skill of hand: that class of labor in which the novice can turn out as large a product as the man of long experience, in which the wage earned the first year is but little different from that earned after many years of service.

Fifty years ago, most of the Negro workers were unskilled laborers on the farms and in the homes of the South. Of the 4,000,000 slaves who were emancipated by Abraham Lincoln's Emancipation Proclamation, there were, approximately, 3,000,000 ten years of age and over, and most of these were engaged in unskilled labor as agricultural workers and domestic servants, general helpers, etc. Very nearly 2,000,000 were workers on the farms of the South, and most of the others were workers in the households of the South. Those were unskilled laborers.

There were, indeed, a few Negroes in the South who were engaged in mechanical pursuits, such as carpenters, bricklayers, blacksmiths, etc., but these constituted only a small percentage. And judged by the standards of today, I am inclined to think that the degree of their skill was far short of that required for successful competition with present day artisans. For example, most of the carpenters of the time could not read and write and built "by guess," rather than from written plans. One has only to examine specimens of their work to become convinced that they, at the very best, rarely reached the average of skill required of mechanics today.

In the North, the 250,000 Negroes were practically all unskilled laborers, with notable exceptions here and there. A census of Negroes in Philadelphia in 1856 disclosed a few hundred who had skilled trades, but the investigator added that "less than two-thirds of those who have trades, follow them. A few of the remainder pursue other avocations from choice, but the greater number are compelled to

abandon their trades on account of the unrelenting prejudice against their color."

The figures for occupations for the census of 1910 have not yet been published. We have therefore to content ourselves with those given out for 1900. In 1900 the census returned Negroes in the following occupations:

NUMBER OF NEGROES, TEN YEARS OF AGE AND OVER, IN THE FIVE MAIN CLASSES OF OCCUPATION

	Number	Percentage
Agricultural pursuits.....	2,143,176	53.7
Professional service.....	47,324	1.2
Domestic and personal service.....	1,324,160	33.0
Trade and transportation.....	209,154	5.2
Manufacturing and mechanical pursuits.	275,149	6.9

There were 53.7 per cent of the Negroes in agriculture, 33 per cent in domestic and personal service, 6.9 per cent in manufacturing and mechanical pursuits, 5.2 per cent in trade and transportation, and 1.2 per cent in professional service.

Unskilled labor among Negroes is chiefly in agricultural pursuits, domestic and personal service, and trade and transportation.

Of the 2,143,176 Negroes in agricultural pursuits, in 1900, 1,344,139 were agricultural laborers, while 757,828 were farmers. The agricultural laborers, representing the unskilled workers, had, however, decreased from 1,362,713 in 1890, to 1,344,139 in 1900; while the farmers, representing the skilled group, increased from 590,666 in 1890 to 757,828 in 1900. Other unskilled workers returned in 1900 are chiefly noted under the following: lumbermen and raftsmen, 6,222; turpentine farmers and laborers, 20,744; wood choppers, 9,703.

It is to be noted that although the Negro population has increased nearly 150 per cent, during the past 50 years, the agricultural laborers have remained almost the same in number, while the more skilled workers are constantly increasing.

Next to agriculture, comes domestic and personal service which furnished 1,324,160 persons. As in agriculture, so in domestic service, much of the labor is skilled and semi-skilled, though it may be classed as unskilled. There were 11,536 janitors and sextons; 545,980

laborers; 220,105 launderers and laundresses; 465,787 servants and waiters; 9,681 soldiers, sailors and marines; 2,994 watchmen, policemen and firemen, and 6,070 in other branches of domestic and personal service.

In trade and transportation, of the 209,154 Negroes engaged, the following may be said to be unskilled occupations: draymen, hackmen, teamsters, etc., 67,727; hostlers, 14,499; hucksters and peddlers, 3,270; porters and helpers in stores, 28,978; messengers and office boys, 5,077.

In all of these classes of unskilled occupations, the Negroes constitute a much greater percentage than their percentage of the population. In the fifteen unskilled occupations named, there are 2,756,442 Negroes, or nearly 70 per cent of all the Negroes engaged in general occupations. The number of unskilled workers in the race must be at least 75 per cent, or about 3,000,000, about the same number as estimated fifty years ago.

During the past fifty years, however, there have been significant changes in unskilled labor among Negroes, some of which are here enumerated:

1. The race, then largely unskilled, has developed more than a million semi-skilled and skilled workers, business and professional men and women.

2. The standard of the unskilled worker, himself, has been raised.

3. The unskilled worker has adapted himself to a system of wages, as against the system of slavery.

4. The average of intelligence of unskilled labor has been greatly increased.

5. Unskilled labor has become more reliable.

6. Negro labor has survived the competition of the immigrant.

7. The unskilled Negro laborer has migrated largely to the large cities.

8. Unskilled labor, has to a large extent, been the foundation on which Negro businesses, the Negro church, the Negro secret society have grown up.

Out of 3,000,000 unskilled Negro workers who were freed in 1863, and the few thousand unskilled and semi-skilled, who already had their freedom there have developed the various occupations of Negroes we have today. The most notable development is in the emergence of Negro professional men and women, a group of 60,000 or more persons

who follow vocations almost entirely unknown to the Negro race fifty years ago, and to whom is largely entrusted the moral and intellectual, as well as the economic leadership of the group. Next to that comes the development of Negroes in business and in skilled trades, in which the race has built with fair success upon the foundation laid in slavery.

Unskilled labor represents the great mass of Negroes at the close of the war, and in one sense, may be taken to indicate, today, the great mass of Negroes who appear to have stood still in the march of the race's progress. In a truer sense, however, this group of unskilled workers has shared something of the progress of the group. The kind of "unskilled labor" given by the Negro fifty years ago is quite different from that given today. Even as the standard in skilled trades has increased, so has the standard in unskilled labor increased. The Negro domestic servant of today has shown much improvement over the old house servant, and one servant now often does the work of two or three of the older generation. The same is true in the case of labor in various other fields. Indeed, this increase in the efficiency standard has done much to raise the degree of respect given much unskilled work among Negroes, as in the case of waiters in hotels, janitors of large buildings, butlers, stewards and many kinds of "day labor."

But one of the greatest changes has been the adapting of itself to the wages system. Much of the skilled and semi-skilled labor of the South had received wages before the Civil War, but very little of the unskilled labor. Working for regular wages required knowledge of the use of money, planning for expending the same, estimating the value of work and its relation to wages. Today, practically all city Negroes work for wages and the wages system is more and more in vogue upon the farms, to such an extent, at least that we are justified in saying that Negro labor has, during these fifty years, practically changed from a system of slavery to a system of wages.

In fifty years, the Negro worker has decreased in illiteracy from 90 per cent in 1860 to 30.4 in 1910. The preponderance of numbers, then on the side of illiteracy, is now on the side of literacy. Today there are more than 5,000,000 Negroes over 10 years of age who can read and write against 250,000 in 1863. Though there are still 2,200,000 Negroes over 10 years of age who cannot read and write, and who comprise a large part of the unskilled labor of the race, the learning

to read and write has made possible not only better efficiency in kinds of labor which Negroes already had, but also the entrance of new avenues of labor unknown to them before.

Not only in intelligence has there been made progress, but also adaptation to a new condition. In all races, the unskilled laborer is the greatest sufferer, and the hardest to adapt himself. In 1863 the Negro unskilled laborer was freed. Many of the farm laborers have entered the ranks of farm owners who now number more than 250,000, while the unskilled group has gradually become more reliable. In the first years of the period under consideration, there was great alarm with regard to the regularity of work. The newly found freedom meant to many Negroes opportunity for idleness and profligacy. When they did work, it was frequently for a few days in the week, and after pay day many were missing until their money was all or nearly all spent and they were under necessity to work. Vagrancy laws, check systems, credit systems, convict labor, peonage, etc., have not done as much to remedy this as have education and the awakening in these Negroes of new desires and opportunities for enjoyment. While there is a great deal still to be desired, there are now hundreds of thousands of Negroes who receive pay on Saturday night and return to work regularly on Monday morning, working six days in the week.

The Negro has furnished, under a wage system, the bulk of the unskilled labor for the farmers of the South. For the past fifty years, by far the greater portion of the South's greatest product, cotton, has been made by the Negro laborer, while its railroads and streets, its sewers and waterworks have been largely constructed by Negroes. The writer was in his twenty-first year before he had ever seen as many as a dozen white men at one time working on the streets, digging sewers or laying railroads. Born and reared in the black belt of the South, he had only seen Negroes do this work and had come to believe it was their work until a visit to Chicago introduced him to his first large group of white sewer diggers.

At the time the Negro was freed, there came another source of unskilled labor to the country, the foreign immigrant. For nearly fifty years, however, these immigrants made but little impression upon the Negro unskilled laborer of the South.

The Negro has invaded the North, not only as a farm laborer and a domestic servant, but also as a laborer in public works, and hundreds

of miles of sewerage and of streets in our great cities are largely the labor of Negroes. The movement of the city has been led chiefly by the unskilled Negro from the farm as the Negro farm owner and operator had no need to go to the city. The growth of the modern city, by its need for unskilled labor, urged Negroes to crowd within its borders. It allured, for here was work, more steady wages, payable every week or fortnight, better protection of person and property, better schools, more excitement and enjoyment.

Unskilled Negro labor has invaded the Northern cities within the past fifty years, and while it has been with extreme difficulty that the skilled laborer has found a place, the Negro unskilled laborer has been a welcome guest. In nearly every large city, special employment agencies have been opened in order to induce Negro workers from the South to come North, where there is abundant public work to be done, on the streets, sewers, filter plants, subways, railroads, etc. Negro hodecarriers have almost driven whites out of business in some cities, while as teamsters, firemen and street cleaners, they are more and more in demand. In the hotel business, the Negro is in demand in the large cities, as waiter, bellman, etc., while the Negro women are more and more in demand as domestic servants.

The cities having the largest Negro population in 1910 were Washington, New York, New Orleans, Baltimore and Philadelphia. Their Negro population in 1860 and 1890 and 1910 is shown below:

	1860	1890	1910
Washington.....	10,985	75,572	94,446
New York.....	12,472	23,601	91,709
New Orleans.....	24,074	64,491	89,262
Baltimore.....	27,898	67,104	87,749
Philadelphia.....	22,185	39,371	84,459
Chicago.....	955	14,271	44,103

New York has made a greater increase in its Negro population during the past twenty years than any large city and Philadelphia is next. This has been due to the urgency of its call for unskilled labor.

In Philadelphia, of 21,128 males of gainful occupations, in 1900, 13,726 were in domestic and personal service or nearly two-thirds of the whole; more than 7,500 of them were returned as "laborers not speci-



fied." Of the 14,095 female workers, 12,920 or more than 90 per cent were returned as domestic and personal servants; 10,522 being "servants and waitresses." In New York, in 1900, out of 20,395 Negro males, 11,843 were in domestic service and out of the 16,114 females, 14,586 were in domestic service. In Chicago, 8,381 of the 13,005 Negro males in gainful occupations were in domestic service, and 3,998 of the 4,921 females were similarly employed. These three cities are typical of the Negro at work in the large cities of the North.

Next to domestic and personal service, which is chiefly, though not entirely unskilled labor, the Negro of the cities is employed in the unskilled occupations of trade and transportation. Taking Philadelphia, as an example, we find the chief occupations of Negro males, who are employed in trade and transportation, as follows: Draymen, hackmen and teamsters, 1,957; porters and helpers, 921; messengers, errand and office boys, 346; hostlers, 270. These four trades represent more than 70 per cent of the Negroes in trade and transportation, while they represent only 2.7 per cent of the total men of the city in trade and transportation.

It has been the Negro unskilled laborer who has given the heartiest support to the organization which has given an opportunity for the expression of the genius for organization and business within the race. The Negro church is the only Protestant church in America which has kept hold of the common laborer, and it is the largest and strongest organization among Negroes. The Negro secret societies, now strong and powerful, are the result of the coöperation of the Negro laborer. These societies are composed of Negro laborers who have given their heartiest support to all forms of Negro business, and have furnished by their patronage, the foundation upon which the Negro physicians and other professional men have risen.

Women and children make up a large proportion of the unskilled workers among the Negroes. Of the 5,329,292 females reported by the census of 1900 as engaged in gainful occupations, 1,316,872 were Negro women. Negro females represented 34.8 per cent of the female wage earners of the United States, while they were only 11.4 per cent of the total female population. These Negro females were engaged chiefly in domestic service and agriculture. There were 509,687 Negro female agricultural laborers out of a total of 665,791 female agricultural laborers in the country. The Negro women constituted 76 per cent of all female agricultural laborers in the

country. There were 1,285,031 female servants and waitresses in 1900 of whom 345,386 or 27 per cent were Negroes. Negro females numbered 218,228 or 65 per cent of the 335,711 laundresses; 82,443 or 66 per cent of the 124,157 "laborers not specified." More than 40 per cent of all the Negro females of the country over 10 years of age were at work, as against 16 per cent of all the white females.

Of the Negro women at work 376,114 were married or 26 per cent of all the Negro married women, while only 3 per cent of the white married women of the country were at work. Of the married women at work, nearly 90 per cent were engaged as agricultural laborers, servants and waitresses, laundresses, and laborers not specified, the four divisions of the census which comprise most Negro female workers.

Between the ages of 10 and 15 years inclusive, there were 516,276 Negro children at work, 319,057 boys and 197,219 girls, chiefly at unskilled occupations, the chief ones being as follows: 404,255 agricultural laborers, 45,436 "laborers not specified," 43,239 were servants and waiters, a total of 492,930 or 95.5 per cent. From 10 to 15 years of age inclusive, 49.3 per cent of all the Negro boys of the country, and 30.6 per cent of the Negro girls were engaged in gainful occupations, chiefly unskilled, as against 22.5 per cent and 7 per cent for white boys and girls respectively.

The last named item, showing that nearly half of the Negro boys and nearly a third of the Negro girls from 10 to 15 years of age are workers in unskilled occupations, should be compared with the following report from the same census: There were 548,661 Negro boys of the ages of 10 to 14 inclusive. Only 277,846 of these were in school. Of the 1,092,020 Negro children 10 years to 14 years inclusive, only 587,583 or 54 per cent were in school, while 504,437 or 46 per cent were out of school; and only 255,730, or 20 per cent of the total Negro boys of this age period, received six months of schooling. The remaining 866,290 Negro boys and girls 10 to 14 years, 86 per cent of the total of that age period, who got less than six months of schooling, and certainly the 504,437 who got no schooling at all during the census year, make up the great mass of the Negro unskilled laborers whose families in the future must be supported by the work of father, mother and child to the physical, moral and economic detriment of our country.

On the other hand, it has been chiefly the school which is gradually raising the Negro from unskilled to skilled labor, and making even his unskilled service more productive, by enlarging his desires for consumption, increasing his foresight, and in general strengthening his character.

## DEVELOPMENT IN THE TIDEWATER COUNTIES OF VIRGINIA

BY T. C. WALKER,

Gloucester Courthouse, Va.

About fifty years ago occurred the emancipation of four million slaves. Prior to the general emancipation there were in each state, and perhaps in each county of the Southern States, a few who were called free Negroes. The only difference in the two classes of Negroes was that one was without task-masters, though subject to all the hardships of slavery save the task-master. A few of these free Negroes in each county owned a small acreage. At the close of the Civil War, as far as our records disclose, the free Negroes owned 537 acres of land in Gloucester County. This information is not claimed to be thoroughly accurate because of the destruction of the records during the Civil War. Even the United States Government, prior to 1880, as far as my information goes, had not seen fit to tabulate Negro ownership of land.

In every clerk's office, if not destroyed, will be found copies of the United States census report for the year 1880. While these reports do not tabulate Negro ownership of land, they do with the aid of old citizens give such information as enables us to come to some definite conclusion as to land ownership by Negroes. This census report shows that in Gloucester County there were 195 Negroes who owned about 2300 acres of land. There were others who had begun to buy but whose titles were not perfected. The legislature of 1890-1891 provided for the separate enlistment of property by the two races. Since that time we have been able to give some definite idea of the ownership of land in Virginia. Each year there has been a general increase in the ownership of land in all the Tidewater counties. The auditor's report of 1912 shows that there are 132,897 acres of land in Gloucester County. Of this amount the Negro holding has increased from 2,300 acres in 1880 to 19,772 acres in 1912, valued at \$139,619 with improvements valued at \$122,444. Prior to 1880 there were no buildings and improvements worth counting on the land owned

by Negroes. The great bulk of them lived in one room log cabins. I have designated for convenience sake the following counties as "Tidewater" counties, viz., Accomac, Caroline, Charles City, Elizabeth City, Essex, Gloucester, Isle of Wight, James City, King and Queen, King William, Lancaster, Mathews, Middlesex, Nansemond, New Kent, Norfolk, Northampton, Northumberland, Richmond, Princess Anne, Southampton, Warwick, Westmoreland and York. At the close of the war it is fair to estimate in the absence of any definite record that the Negroes in these twenty-four counties owned less than 5,000 acres of land. Their holdings have increased during this period of fifty years from about 5,000 acres, whose estimated value with improvements was less than \$70,000, to 421,465 acres, whose value with improvements according to the auditor, is \$4,282,947. According to the auditor of Virginia for 1912 the Negroes own in the whole state 1,629,626 acres valued at \$8,664,625, and the total value of Negro farm lands in Virginia with improvements thereon is \$14,156,757.

These farm lands are increasing in value year by year due to the increased knowledge of agriculture by the great bulk of Negroes. The census reports for 1900 show that there were 44,834 Negro farmers in the state. Of this number 26,566 owned their lands while 17,030 were renters. The census of 1910 tells us there were 48,114 Negro farmers in the state. Of this number 32,228 owned their farms while 15,706 rented. Of these 32,228 farms, 26,290 are free of mortgage or debt, leaving but 5,609 mortgaged. There may be some discrepancy in the value as estimated by the census bureau and that by the auditor of public accounts. The auditor fixes his value for taxation and the Negro holdings are put upon the same footing with white holdings to evade taxation, while the census bureau fixes its basis of valuation by the actual observation of the enumerators as they go upon those farms.

The period from 1900 to 1910, according to the census bureau, shows that the increase of Negro farm owners is 21.3 per cent. It is also shown that 67 per cent of the Negro farmers of Virginia own their farms while the census of 1900 shows 59.3 per cent. Gloucester County, for the size of its acreage and Negro population has perhaps the largest number of Negro land owners of any one county in the state. We have shown that in 1880 there were 195 while today there are 1895 Negro land owners.

The greatest agency employed in the development of the Tidewater counties, in fact of the state of Virginia, in educational and material conditions, is the Hampton Normal School located at Hampton, Va. For forty or more years this school has been sending out its graduates until every county in the Tidewater section, and many other counties in the state, have Hampton graduates with the Hampton spirit. They go forth to make peace and cultivate the most friendly feeling between the races. Another branch of this agency now employed in the development of the soil is Hampton's direct agents and graduates who live among the people, and the coöperative demonstration farm work as carried on in coöperation with the Hampton School and the United States Department of Agriculture. Mr. J. B. Pierce, a Hampton graduate, is the director of the demonstration work in Virginia.

Nothing could show progress more than the increased output of farm products, the accumulation of improved farm implements and improved stock. The outgrowth of this development is the great number of bank deposits in the banks of Tidewater, especially those located in the rural districts. I am informed that the Negroes of Gloucester County have on savings deposits in the bank at Gloucester Court House more than \$20,000, not to say anything about the running accounts in the two banks in the county. In 1880 there was not a Negro in Gloucester depositing in any bank and few in all Tidewater, Va. The increase in the accumulation of town and city property has followed close in the wake of the rural sections. In 1880 they owned few town or city lots. Today the town lots with improvements are valued at \$3,134,008, while the city lots are valued at \$3,164,272, with improvements valued at \$5,140,335. At the close of the war it is fair to presume, in the absence of records, that the entire Negro population of Virginia did not pay taxes on \$1,000,000 worth of property; today, according to the auditor, they pay taxes on real property valued at \$25,595,402. I have referred to the possible discrepancy as estimated by the state and census bureaus. The census bureau for 1910 puts the value of all farms owned by Negroes in Virginia at \$28,059,538, while the auditor, as just stated, collects from the Negroes taxes on realty valued at \$25,595,402.

For the comforts of life and as a mark of increased civilization the personal property owned by any race is a fair test. Fifty years

ago the Negroes of these Tidewater counties owned but little personal property. Their furniture consisted of old chests, boxes and roughly made bureaus, bedsteads and the like. Today such property as they then had, save, perhaps, one feather bed and two pillows usually held by each family, would not be assessed at any value. The character of personal property, such as house furniture, cooking utensils and the like, now possessed by them, is such as is produced in some of the best factories of the country. Many of these homes have in them up-to-date musical instruments. Pleasure carriages and buggies are among the advanced acquisitions. It is well-nigh impossible to give accurately the value of the personal property year by year. I have taken the auditor's report for 1904 as the first basis of improvement in the acquisition of personal property. By this report it will be seen that the Negroes of these twenty-four counties pay taxes on personal property valued at \$1,771,358. The auditor's report for 1912 shows that the Negroes in these 24 counties paid over to the state \$20,818.24, the amount from taxes assessed on personal property.

We hear a great deal about the race problem. The problem becomes more acute as race prejudice increases. The Negroes of these Tidewater counties, in fact all over the state, have been greatly encouraged in their efforts to accumulate property and to become substantial citizens by the best element of native white people. The encouragement given by the better element of the white people has meant more to the Negro than it is possible to estimate. I do not mean by this that the Negro has been accorded all of his rights. With the same friendly feeling and the same anxiety on the part of the better element of white people to see the Negro have fair play as to home making and character building, there is a great future for further development of these Tidewater counties.

# THE NEGRO AND THE IMMIGRANT IN THE TWO AMERICAS

## AN INTERNATIONAL ASPECT OF THE COLOR PROBLEM

BY JAMES B. CLARKE,

New York City.

To the colored man of foreign birth, and especially of Latin-American origin, who lands on American shores fifty years after the issuance of the emancipation proclamation, the keenness of racial antipathy and the persistence of statutory discrimination in various states against persons of African descent form a feature of American life as puzzling in its *raison d'être* as it is annoying and unpleasant in its operation. "Why is it," asked the distinctly Negroid officers and sailors of the Brazilian dreadnaught which recently visited this country, "that in the street cars at Norfolk we had to be separated from our white or white Indian fellows and friends? In New York the petty officers of our ship were invited to an entertainment by the men of similar rating on an American battleship and the waiters at the hotel refused to serve some of our men who were black. We cannot understand these things."

Small wonder that the foreign visitors should have evinced surprise at this disagreeable feature of an otherwise memorably pleasant reception in the United States of America. It is hardly twenty-five years since the last vestiges of slavery were removed from the then infant United States of Brazil, but that country knows no distinction of color or race. Law and custom guarantee equal opportunity to all citizens in every field of usefulness to the republic, and some of the most distinguished presidents, to say nothing of lesser officials, have been men of Negro blood. In this country, on the other hand, where people have better opportunities for education and ought to be and claim to be more enlightened and humane than the peoples to the south, fifty years after a most destructive war which is supposed to have abolished all distinctions in citizenship, racial prejudice pursues with a most relentless and intolerant hatred the faintest trace



of African blood and even over-rides the common demands of international courtesy and renders impossible the attainment of that Pan-American Union, based on genuine good-will and mutual respect, which the republic of the north is now so anxious to form.

The characteristic point of view of the Latin-American with regard to the diverse constituent elements in the population of his country is that racial considerations shall not operate to deprive a citizen of the opportunity of useful service to his country nor to rob him of the recognition due to such service. No man is assumed to be superior or inferior to any other man because of the color of his grandmother's skin. Every man who demonstrates his worth commands and receives the respect and appreciation of his fellows. Political and economic difficulties and dissensions there may be, but race is not a controlling factor in governmental policy and in the everyday conduct of the people. The Indian, Benito Juarez, proved himself at least a more enduring ruler of Mexico than did the white man, Madero, and, whatever else may be said of Porfirio Diaz, the fact of his Indian blood has never been held up as a reproach against him by such pure whites as live in the country of the Aztecs. Nor is the Spanish-American mind capable of denying to men of Negro blood the recognition to which their abilities entitle them. Despite northern influence, the name of the mulatto Maceo is yet revered with that of Máximo Gómez, of doubtful whiteness, as a national hero of Cuba, and Juan Gualberto Gómez is still one of the most honored patriots of the first American protectorate. In countries where there is now little, if any, trace of Negro blood in the population, there is no tendency to forget the services of colored men in the past. Buenos Ayres is adorned with a statue of Falucho, a Negro soldier, and the Government of Venezuela has just dedicated in Caracas a monument to Alexandre Pétion, the mulatto president of Haïti whose aid, in men and money, to Simón Bolivar at the most critical moment in the fortunes of the Libertador led to the independence of the vast region which now comprises the republics of Venezuela, Colombia, Panamá, Ecuador, Bolivia and Peru. Thus, at a time when the Monroe Doctrine could not have been enforced by the nation which gave the name of its president to Great Britain's proposal for a joint Anglo-American recognition of the new republics, the earliest formed and last recognized of these nations, peopled by men who are by law and custom invariably "inferior" to white men in North America,

Haïti, the Black Republic, had already struck the most vital blow at Spanish rule in America and paved the way for the present dominant position of the United States in the Western Hemisphere.

Knowing these facts, it is not surprising that white men in Latin-America, and there are more of them than Anglo-Saxon America is inclined to think, do not regard the possession, real or suspected, of Negro blood as a crime punishable with eternal and irrevocable exclusion from everything that savors of honorable service and due consideration in one's country. If these facts were also known or acknowledged by white men between the Gulf of Mexico and the Great Lakes, it is possible that the Brazilian visitors would have been spared the dread of terrors unseen and, for them, perhaps non-existent; but nevertheless, well founded on their observation of the gulf that separates the native white from the non-white of North America. "If I went into one of these restaurants along Broadway," asked the son of a Portuguese from the Azores, whose ability has won him a position of trust and responsibility as an officer in the navy of his colored mother's country, "would they serve me as they would in Paris or Newcastle-on-Tyne or Rio de Janeiro?" The only way to secure an answer to such a question, would, of course, be to enter the restaurant and order food. The response would perhaps be in the negative, but in any case it would most likely be made by a man who was not himself a native of this country, who had not become thoroughly familiar with the language and had not thought it necessary to relinquish his allegiance to some European monarch in order to enjoy the benefits of residence in a country which is, to him, free. For a most important element in the maintenance of anti-Negro feeling in this country since the Civil War is the constant and ever-increasing stream of immigration from Europe.

Fifty years ago, the waiter in New York and in many other Northern cities was usually a man of color, as was the barber, the coachman, the caterer or the gardener. True enough, he had little opportunity to rise above such menial occupation, but with the growth of the humanitarian, if rather apologetic, attitude toward the Negro engendered by the great conflict which had brought about the verbal abolition of slavery in the states where it then existed, it is possible that the Negro's status in New York and the other free states would have been rapidly and permanently improved, industrially as well as in civic recognition, had not the current of immigration, which had been

retarded for a decade or two during the Civil War and the preceding agitation, started with renewed force on the cessation of the conflict. The newcomer from Europe had to be provided for. Being more suited to the climate and conditions of life in the Northern States and at the same time possessing greater skill and experience, not only in the menial employments which had engaged the Negroes, but also in the trades and industries in which the freedmen had acquired during slavery a rudimentary foundation, the European immigrant soon outstripped his Negro rival for the employment and the respect of the American in the Northern States. With his economic position thus secured, the new American, knowing little or nothing of the terrible struggle which had preceded his coming, looked and still looks upon the Negro with the contemptuous eye of an easy victor over a hopelessly outnumbered, weak and incompetent foe. I do not pretend to say that the immigrant is not often to be found among those who keep alive the torch of liberty and justice in America, but I do believe that the continuance of racial hatred in the North is traceable to the Europeans whose lack of contact with the Negro has been exploited and played upon by native whites who have nothing to think and talk about but an exaggerated idea of the virtues and capacities of the Anglo-Saxon race.

In the Southern States where, although there is little direct immigration, the poor white population, particularly in the southwest, has been largely increased by recruits from the Americanized immigrant population of the North, the Negro, by reason of his numbers, has been able to make a better showing in industry. This condition is in no small measure due to the fact that the ruling classes prefer the Negro to the immigrant. But, whatever the reason, the black people still hold their own and, despite efforts to check them, they are constantly securing a firmer footing in the industries of the South. For the present at least, the European immigrant is not likely to become a dangerous economic menace to the Negro in the South. Some few years ago an attempt to start a line of steamers transporting European settlers from Hamburg to Charleston met with disastrous failure. Experiments with Italian agriculturists in Mississippi and elsewhere have not influenced the tendency of the Negro to become a landowner, for *The Progressive Farmer*, a southern agricultural organ, has found it necessary to start a campaign for the passage of laws to check the encroachment of Negroes upon territory occupied by white farmers.

Without the hindrance of artificial restrictions, the effect of which cannot be permanent, the position of the Negro in the agriculture of the Southern States seems to be assured. Present tendencies in other industries in these states, and it is only in these that the Negro is ever likely to be an important economic factor, seem to guarantee the black man "the right to life, liberty and the pursuit of happiness" in equal security with the white man. In the mining regions of Alabama and Tennessee the proprietors of mines, with the aid of aspirants to political honors, have been in the habit of fomenting race prejudice as a means of nullifying the power of union labor by forcing the men to form racial unions and by using the one as a club to suppress the other group in case of a strike. In Alabama two years ago the governor, without a shade of legal authority, ordered the militia to raze a strike camp just as the miners were nearing success, because the promiscuous arrangement of the tents occupied by white and colored people did not meet with the approval of a public opinion which cared nothing about the color of the men while in the mines. The miners themselves had very different ideas and it is probable that experiences of this kind will force them to a fearless recognition of the unity and identity of the interests of labor. The Socialist party and the I. W. W. have done much for the admission of colored men to labor unions and the I. W. W. has met with notable success in this respect in the lumber camps of Louisiana. In many other important industries as, for instance, ship-carpentry at Savannah and other ports, colored men are admitted into the unions with white men. Southern cotton mills are beginning to employ Negro labor. As a result of the recent anti-Japanese agitation, employers and workmen alike have come to regard the Negro as the lesser of two evils and, in railroad construction in several places in the West and Northwest, black men have been engaged to replace the oriental laborers. During the past half century, the dominant, if unexpressed, idea in the mind of the average white man toward the colored man who sought the right to earn his bread anywhere in this country was that he ought to be crushed and eliminated if his labor in any way savored of competition with the white man. But with the growing recognition of the inter-dependence of the races and the increased tolerance of labor unions toward black men, competition between Negroes and immigrants tends to give way to coöperation between black men and white all over the country.

This is the condition that exists in Brazil, where the free people

of color, both on account of their numbers and of their ability, had secured a footing from which they could not be shaken by an immigration which has not been so large or so different in origin and standards of life from the native worker as has been the case with the immigrant and the Negro in North America. When the center of American interests is transferred from considerations of race to the recognition of those surer standards of birth, education and ideals, by which alone citizenship is to be adjudged, racial prejudice against the Negro and Negroid will become as insignificant in Anglo-Saxon America as it is rare in Latin-America. Toward this end the Negro and the immigrant should strive by removing the barriers of color and of mutual fear or distrust which separate them, in order to make possible the realization of the new and really United States of North America, without which there can be no union of all America.

## THE TENANT SYSTEM AND SOME CHANGES SINCE EMANCIPATION

BY THOMAS J. EDWARDS,

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The close of the Civil War marked a great change in the labor system upon the plantation. The Negroes who were held and considered as property of masters previous to emancipation were now free men, having as their principal asset good conditioned bodies. The matter of serious import which confronted these simple, but strong, people was the task of making a living in a country devastated by war. Former masters were confronted with problems equally as difficult as those confronting the former slaves. These masters had been deprived of what represented both labor and property; war had left them for the most part landowners, and nothing more. The task of starting a new life was equally difficult for both concerned—the landlord with land and accessories, the freed man with physical strength and a slave's experience. The first two or three years after the war, were, therefore, a period of readjustment between land and labor under new and trying conditions.

Immediately after the Civil War through the share-cropping, wage-earning and standing-wage system, labor was gradually adjusted to the soil. According to the readiness with which landlords had or could secure means, all these three systems were more or less used at the same time. In many cases, as it is today, the wage-earning and the share-cropping systems existed simultaneously on the same plantation, while on the smaller plantations "croppers" up with their crops would serve in the place of earners in assisting those behind with crops on the same plantation. When croppers served as wage hands their pay like other expenses was deducted from the croppers' share in the crops.

The share-cropping and the wage-earning systems are with us still, but the standing-wage system which was originated immediately after the Civil War is not now in vogue. The method of work got its name, the standing-wage-system, because "hands" worked for a period

of six months or a year, before a complete settlement was made. Rations were issued weekly or monthly. The wage paid standing-wage hands was \$50, \$75 and \$100 a year. This system originated with the motive of holding labor to the soil until end of crop.

That which seems to be a modified form of the old standing-wage system is the part-standing-wage system which exists today in many black belt countries in the South. Under this system a hand receives a monthly wage, which is seldom less than \$5 or over \$7. In addition to the wages paid in money he is given three or four acres of land to cultivate for his own use as a further compensation for his service. In cultivating this plot of three or four acres the "hand" is given the use of his employer's team and farming implements on Saturday when most of the work for himself is done. It is because the "hand" receives part of his wages in monthly cash payments and the remainder in a harvested crop that this system is called the part standing-wage system. The system of work appeals more to the older people than the young, so it is reasonable to suppose that it too will shortly pass away. It is evident that the chief element in the part standing-wage system is keeping uncertain labor connected principally as a wage-hand to a larger plantation system.

The four-day plan of cropping had even a shorter life than the standing-wage system. Under this system the "hand" worked four days for the landlord who in turn furnished him with land, stock, feed for stock and farming implements, with which to cultivate a farm for himself the remaining two days. This system was quite advantageous to the "hand" providing he had a family large enough to do hoe-work upon his own farm while he worked four days for the landlord. In this system a weekly ration was issued simply to the "hand" or hands who worked four days. In case there were other members of the family, other arrangements were made according to ability to give service upon the plantation or around the landlord's home. It is probable that the system died, because the landlord's profits were small and the "hand" crops were poor.

That which has been said of the standing and the part standing-wage systems and the four-day plan for cropping has been sufficient to throw some light on the attempt in early days succeeding Civil War toward adjusting labor and land. No system seems to have a more permanent effect than what is known today as the share-cropping system. For many years after the Civil War, work on

shares had a very different meaning from that which it bears today. Crops were cultivated for the one-fifth, one-fourth, two-fifths and one-third. In most cases when the cropper worked for any fractional part below one-third he received a part ration. Dividing crops into smaller fractional parts than one-half was at that time considered very reasonable by those who had served years in bondage without pay and whose demands for education and better methods of living had no likeness in comparison to what they are today. It has been less than a decade since the wants of each individual farmer and his family have so increased and the competition between landlords in holding labor upon their plantation has grown so keen that the fractional part gradually increased, until now working on shares means generally all over the Southland that at harvesting time that crop will be halved between landlord and cropper.

The word "crops" as used in verbal or written contracts has particular reference to cotton and corn. Everything raised behind the mule, except that raised on the one acre allowed for the garden and house spot, is subject to division. According to the terms of the contract, the landlord furnishes the cropper the land on which the crops are cultivated, and farming implements, plows, scooters, sweeps, stock and feed for the stock; in return for which the landlord is to have one-half of the entire crop made by the cropper and his hands. In consideration "of the above" the share cropper agrees to furnish and feed at the command of the landlord, all labor necessary to cultivate and harvest the crop and take good care of all stock implements intrusted to his care. In the event of failing properly to cultivate the crops he authorizes the landlord to hire what labor he may deem necessary to work the crop, and to deduct the cost of this labor from the cropper's half of the crops.

The landlord permits the steady, careful and thoughtful cropper to use his mule and buggy on Sundays, and use the farming implements in the cultivation of his garden or very small plot of watermelons and sugar cane. When the main crops, cotton and corn, are not in need of work, the cropper has time to cultivate his garden, and to do odd jobs on his house, fences and stables if there are any. The landlord usually provides the cropper with the available vacant house of one, two, three or even four rooms as the case may be. The size of the house, and accommodations in barn and stable readily give immediate advantage to landlord, and cropper.



It is not altogether true that the landlord keeps the stock and vehicles in his home lot. These are in most cases left to the care and keeping of the cropper if he be in possession of suitable stables and lots.

The amount of supervision a cropper receives from the landlord depends largely upon how successfully he keeps his crops (especially cotton) worked up. If he gets behind with his "crops" the landlord may compel every member of the cropper's family, and even secure members from other families upon the plantation, to clean out the crops. In case the landlord does secure others, outside of the cropper's family to assist with the crops, the landlord avails himself of the clause in the contract which permits him to hire the labor necessary to work the "crops" and to charge the cost of the labor to the cropper's half of the "crop."

As a rule the share cropper makes more to the mule than other classes of farmers. The reasons are as follows: (1) He is given the best plot of land upon which to make his "crops" because the larger the "crops" the more satisfactory will be results for both landlord and cropper. (2) In most cases supervision is very close, which is most natural since the share-cropping system involves so much capital and risk from the landlord. Here we find a condition not unlike that in every phase of occupation, an effort to get as large return as possible for capital invested.

Crops are usually divided in the presence of the landlord, during or immediately after harvesting time. The cropper gets as his share one-half of the lint cotton and cotton seed, one-half of the corn and corn-fodder, and one-half of the field peas. All products raised on the house spot acre come to the cropper, undivided. Though the terms in the contract consider everything raised behind the mule subject to division, yet sugar cane, sweet potatoes and watermelons may not be divided providing the landlord furnished neither fertilizer nor seeds for planting.

Upon almost every plantation of considerable extent some women share-croppers are usually found. They are as a rule widows with children large enough to help out with the farm work. These croppers are most common in black-belt countries, where the large plantation systems prevail. For example, one of these widow share-croppers of Macon County, assisted by her two sons, one thirteen, and the other eighteen years old, during the bad cotton crop year

of 1909, made thirteen bales to her one plow. Another whose husband died leaving a debt of \$125, and three children to care for, worked on shares during the same bad year, made ten bales of cotton to her plow, paid her debts, her expenses of living while making the crop, including half of the cost of the fertilizer used upon her farm, and saved \$150. The latter widow realizing the responsibility upon her of debt and care of children was advanced only \$35 which was used in purchasing food. The success of these two widows does not indicate by any means that women share-croppers are always successful, but it does show that under this system, because of landlords' supervision, women may succeed as well as men, providing they can furnish the labor.

As a rule the contract which explains the terms by which crops are to be cultivated and divided makes no provision for the cropper's advances or food; nor any disposition of the commercial fertilizer of which the cropper pays for half out of his half of the crops when made and divided. Terms for advances as a rule are made outside of the crop-contract. Advances in money may be issued directly through a banker with orders from the landlord permitting the cropper to have certain amounts at stated times. Usually the landlord and the cropper agree upon a lump sum of \$35, \$50, \$100 or \$200. According to the cropper's needs, this money is issued in monthly installments of \$8, \$9, \$10, \$15, and \$20. Of course the cropper does not receive the lump sum agreed upon at the time the food-contract is made for the following reasons: (1) the cropper might use his money unwisely and consequently be obliged to call upon the landlord to continue, or finish the crop; and (2) by holding it the landlord has money at his disposal for cultivating the crops if the head of the family becomes disabled, or does not stay to carry out his contract. Advances are often made through a merchant-landlord of a large plantation who may have a store of such necessities as will meet the demand of tenants upon the plantation. In case the landlord does not own a store, orders are given by the landlord to some merchant of a small town or village, or to the merchant-landlord near, permitting the cropper to have certain amounts of merchandise at stated times during farming season. In such a case the landlord is directly responsible to the merchant for the merchandise which the cropper receives. The interest charged on borrowed cash varies from 10 to 15 per cent, but in many cases

has been known to be considerably more. Furthermore, the interest on merchandise has been known to double itself notwithstanding the fact that the cropper pays a yearly interest upon the lump sum agreed upon for a cropping season of six or seven months, he receives his allotments of cash or merchandise in monthly installments.

The cropper who for one reason or another becomes dissatisfied and desires to transfer his service and that of his family from one landlord to another, has been known to do so by getting the landlord he wishes to serve to pay to the one he previously served the amount of debt the cropper owes. In case the agreement is made the cropper comes under contract of a new master bringing an interest-bearing debt. The amount paid in transferring croppers has been known to range from \$25 to \$200.

The cropper apart from a plantation is, of course, free from close supervision. He is more aggressive and trustworthy than the plantation cropper described above, and, therefore, is left largely to contract his own affairs. He may have been in previous years a renter who, through some misfortune, such as losing a mule, prefers working on halves until he can get sufficiently strong to rent again. In case this type of cropper owns a mule, the landlord rents it, as a rule, not by paying cash money but by making some agreement with the cropper equivalent to what a season's rent for one mule would be. If the cropper has feed for his own mule an agreement between landlord and cropper is fixed in some way by the landlord making allowances in some side crop, such as watermelons, sweet potatoes or sugar cane. It is the type of cropper described above that is on the verge of becoming a renter in case his crop turns out to be good.

Regardless of the success croppers may make with their crops, while working on shares, there is a burning desire among them for less supervision and more freedom in managing their own affairs. The opportunity of becoming renters offers a means of satisfying such a desire, and very often a cropper remains upon the same plantation, occupies the same house and rents the same land, and quietly transfers from cropper to renter without the least difficulty.

It is reasonable that in early years succeeding the Civil War both share-croppers and renters existed; but it is still more reasonable that renters were fewer in number, since renting required an accumulation of capital, such as, a mule, paid or partly paid for,

some feed for the mule, wagon and farming implements. As the years passed croppers went into the renting class, first, because they desired the management of their business in full; and, secondly, because the landlords were just as willing to free themselves from the close oversight of the cropper's affairs as the cropper was to be free. We have no figures to indicate just how rapid the transition into the renting class was, until the decade embracing 1890 and 1900. In this connection figures of Macon County, Ala., will be used. According to the agricultural census of 1900, the only census in which white and colored renters and share-croppers were taken separately the number of colored renters in Macon County was 2,097. The number of colored share-croppers was 760. The preceding census (1890) shows white and colored renters taken together to be 1068, and white and colored share croppers together to be 1,113. In 1900 the colored renters had increased nearly half of both white and colored renters for 1890. The colored share croppers of 1900 had decreased over one-third of both white and colored croppers in the same time. The increase of colored renters in 1900 over white and colored renters in 1890 in this one county gives some idea of the rapid change into the renting class.

A quarter of a century ago, one kind of renter was commonly found upon large plantations where wage-hands and share-croppers were employed. He was subject to the same plantation management as other classes upon the plantation. He received the same supervision, plowed, cultivated, harvested, and received advances in the same manner as the share-cropper. When his crops were behind, the landlord employed hands, cleaned out the crop while the renter stood the expenses. The only difference between the renter and the share-cropper was that the renter crops were not divided; and to the renter belonged whatever remained after rent, expenses of farming implements, cleaning out the crops and living were deducted. Under the nominal rent system more renters came out behind than ahead in their crops. In many of the black belt counties of the South, where changes for good in the plantation system occur slowly, this type of renter is found today.

The renter of today is a more independent type. He is responsible to the landlord for the rent of the land only in case he secures "advances" from his landlord. In many cases he sub-rents portions of his rented land receiving an amount little more than sufficient to

pay the landlord's rent. It is often the case that this type of renter owns from three to six mules, some or all of which are mortgaged and through this means of mortgaging his stock he receives "advances."

It is the desire of landlords to rent their land without the risk of giving "advances," or the care of close supervision. In other words, it is as much the desire, and as much to the advantage, of the landlord to get rent or interest on the money involved in land with least trouble, as it is the renter's desire to advance himself, and enjoy the privilege of managing his business affairs. The present trend of renting conditions—conditions which relieve the landlord of responsibilities and which put upon the renter more responsibilities—is in this direction.

Two decades ago the most common way the landlord or merchant secured himself against losses was by taking a lien on crops. The lien entitled the landlord to hold in possession all, or part of a renter's crop until all claims were paid. The lien was made not only upon growing crops, but often upon unplanted crops as well. If through the crop lien, the landlord's claim was not settled in one season it was continued into the next. The old crop lien system with all of its force and meaning has apparently changed in meaning and form in some indescribable ways and since the renter has gradually come into possession of personal property, money is secured for farming by making notes and mortgages upon that property. All these may have some features of the crop lien system, but do not have the name.

The managing ability of the average Negro renter is limited by the three mule farm. His yield and profit per plow decrease as the number of his plows increases. For example, a farmer made twelve bales with one plow; with two plows he made seven bales, and with three plows he made five and one-half bales to the plow. This was barely enough to cover the expense of three plows. Thus this farmer increased his acreage and expense while his knowledge of business and improved methods of farming remained the same.

The rent claims are first settled, and in most cases paid in cotton. The rent paid for a farm of 25 or 30 acres ranges from  $1\frac{1}{2}$  to 2 bales of lint cotton. Paying rent in money is quite common in some sections. When money is paid as rent for a farm of one mule it ranges from \$75 to \$100. There are two advantages in the

payment of rent in money: first, the landlord receives a fixed rent for his land regardless of fluctuation in cotton prices; and, secondly, the renter gains in money as long as cotton remains at a good selling price.

This paper has been devoted principally to the discussion of the share-cropper and the renter because these classes have a relation with the soil and the plantation permanent enough to observe changes. It is evident that the daily, weekly, and monthly wage-earners have some influence upon the plantation system which is not discussed here.

# WORK OF THE COMMISSION OF SOUTHERN UNIVERSITIES ON THE RACE QUESTION

BY CHARLES HILLMAN BROUGH, Ph.D.,

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Commission of Southern Universities on the Race Question.

Unquestionably the problem of the economic, social, hygienic, educational, moral, and civic uplift of the Negro race is at present challenging the best thought of Southern scholars and philanthropists, as perhaps no other problem is.

There are now many agencies in the South trying to find a method of helping the Negro get a larger share of the fruits of his toil and enabling him to live his life more abundantly and more harmoniously with the Southern white man. The first and, perhaps, the most potent of these agencies is the Commission on Southern Race Questions, organized by Dr. James H. Dillard, of New Orleans, president and director of the Anna T. Jeanes Foundation, at the First Southern Sociological Congress, which met in Nashville, Tenn., May 7 to 10, 1912. The membership of this commission is as follows: W. S. Sutton, dean and professor of education, University of Texas; James E. Doster, dean of the School of Education, University of Alabama; James M. Parr, vice-president and professor of English, University of Florida; R. H. J. DeLoach, professor of cotton industry, University of Florida; W. O. Scroggs, professor of economics and sociology, University of Louisiana; W. D. Hedleston, professor of ethics and sociology, University of Mississippi; Charles W. Bain, professor of Greek, University of North Carolina; Josiah Morse, professor of philosophy, University of South Carolina; James D. Hoskins, dean and professor of history and economics, University of Tennessee; William M. Hunley, adjunct professor of political science, University of Virginia; Charles Hillman Brough, professor of economics and sociology, University of Arkansas. Dr. Brough is chairman of the commission and Professor Hunley secretary.

At its first meeting at Nashville, Dr. Dillard outlined his purpose in calling such a body of teachers together. He significantly

called attention to the fact that the leadership of state universities in the South is coming to be more and more vital to the interests of the people; that they have been criticised often for apparent indifference to the Negro question, and that not only stimulation, but also actual leadership, was expected of the commission.

After an informal discussion it was decided to hold the next meeting at Athens, Ga., December 19, 1912, when each member was expected to present a plan. Practically all of the members of the commission were in attendance on this meeting, which convened in the library room of the historic and antebellum University of Georgia. Additional value was given to the deliberations of the commission by the presence and active participation of Chancellor Barrow, of the University of Georgia, and Chancellor Kincannon, of the University of Mississippi. The most important business transacted at this meeting was the delegation by the chairman of specific work to special committees, which are to report next December at Richmond, Va. The composition of these committees is as follows:

*Education*—Sutton, chairman; Farr, Doster.

*Economic*—DeLoach, chairman; Hoskins, Brough.

*Hygiene*—Morse, chairman; Hedleston, Bain.

*Civic*—Scroggs, chairman; Hunley, Sutton.

*Religious*—Doster, chairman; Hedleston, Morse.

*Race Adjustment*—Farr, chairman; Bain, Hunley.

*Executive*—Brough, chairman; Farr, and Hunley, Secretary.

*Advisory*—Dillard, chairman; Chancellor Barrow, of Georgia, and President Mitchell, South Carolina.

A number of the members of these committees submitted preliminary reports at the second sociological congress, which met in Atlanta, Ga., the latter part of last April. The work already done presages the most scientific and impartial study of the Negro problem, with the ideal of constructive helpfulness, that has yet been attempted.

As one of the results of the organization of this commission a number of students, notably at the University of Virginia and the University of Georgia, began last fall a systematic study of the Negro problem in all its phases. They started under the auspices of the Young Men's Christian Association. Tremendous impetus was given their work by the establishment of the Phelps-Stokes



fellowships at the Universities of Virginia and Georgia. Practically all the Southern universities represented on the commission are offering courses on the Negro question, using such scholarly works as Weatherford's *Negro Life in the South* and Stone's *Studies in the Race Problem* as texts, and these courses in the regular curricula are being supplemented by special Y. M. C. A. courses on various phases of Negro life.

Some idea of the extent of the work undertaken by these students may be had from the report of last year's study at the University of Virginia. This group of students, numbering nearly one hundred, issued a summary of the results of their study, in part as follows:

"1. A realization of the pervasiveness of the problem; that in reality it is not an isolated situation out of touch with the affairs of the South at large, but an intimate, ever-present problem touching the life of the South at every turn, and involving the hygienic, economic, and moral well-being of every citizen of the South.

"2. Not only has the problem been recognized, but much reading has been done and much thought devoted to the subject. More than one hundred volumes were taken from the library by students of this question.

"3. Through lectures, books, and current magazines the men of the group have come in contact with the leading thinkers and workers in the field of sociological endeavor.

"4. A library of more than four hundred volumes has been accumulated and completely catalogued for use, and additions are continually being made.

"5. Actual investigation has been made and a foundation laid for future work of greater scope and value.

"6. Virginia has assumed a leadership in this, the largest problem of Southern life, that has attracted wide attention and excited emulation."

The writer feels that he can best express his ideas as to the activities and opportunities of the commission by reproducing portions of his address before the commission, at its meeting in Athens, Ga., last December.

The South is to be congratulated on the fact that she has educational statesmen with far-sighted and philanthropic vision, of the type of Dr. J. H. Dillard, of New Orleans, who has consecrated his

ripe experience and able executive leadership to the social, economic, educational, religious, and civic improvement of the Negro race. Such a leader, who is the inspiration and originator of this commission of professors from representative Southern universities, is worth infinitely more to our nation, to our Southland, and to our sovereign states, than a thousand ranting demagogues.

With such an inspiring force as Dr. Dillard, I feel that this commission could do no better than follow his splendid constructive outline which he has mapped out for our work and, therefore, as chairman of the commission, I invite suggestions in the following subjects:

I. What are the conditions?

- (a) Religious—contributions, excessive denominationalism, lack of the practical in preaching, etc.
- (b) Educational—self-help, Northern contributions, public schools, etc.
- (c) Hygienic—whole question of health and disease.
- (d) Economic—land ownership, business enterprises, abuse of credit system, etc.
- (e) Civic—common carriers, courts of justice, franchise, etc.

*Changes and tendencies in the above conditions.*

*Attitude of the whites.*

II. What should and can be done, especially by whites, for improvement?

III. What may be hoped as to future conditions and relations?

With reference to the religious contributions to the betterment of the Negro, it may be said that our churches have been pursuing a "penny-wise and pound-foolish economy." The Presbyterians last year gave an average of three postage stamps per member to the work. The Methodists averaged less than the price of a cheap soda water—just a five-cent one. The Southern Baptist convention has only been asking from its large membership \$15,000 annually for this tremendous work. In view of these conditions, as Southern churchmen we may well echo the passionately eloquent outburst of Dr. W. D. Weatherford, one of the most profound thinkers and virile writers on the Negro question and the leader of the young men of the South in their Y. M. C. A. work, "Do we mean to say by our niggardly gifts that these people are helpless and worthless in the sight of God? Do we mean to say that 1 cent per member

is doing our share in evangelizing the whole race? God pity the Southern Christians, the Southern churches, and the Southern States, if we do not awake to our responsibility in this hour of opportunity."

But the responsibility for deplorable religious conditions among the Negroes is not altogether with the whites. While it is true that the Negro is by nature a religious and emotional animal, while there are approximately 4,500,000 church members among the 10,000,000 Negroes in the United States, and these churches represent property values of nearly \$40,000,000, yet it is also painfully true that excessive denominationalism and ecclesiastical rivalry and dissensions prevent the formation of strong, compact organizations among them and, as a result, there are twice as many church organizations as there should be, congregations are small, and the salaries paid their preachers are not large enough to secure competent men.

In connection with the character of the average Negro preacher, it is interesting to note that in an investigation made by Atlanta University concerning the character of the Negro ministry, of 200 Negro laymen who were asked their opinion of the moral character of Negro preachers, only thirty-seven gave decided answers of approval. Among faults mentioned by these Negro laymen were selfishness, deceptiveness, love of money, sexual impurity, dogmatism, laziness, and ignorance, and to these may be added the fact that preaching is generally of a highly emotional type and is wholly lacking in any practical moral message. At the April meeting of the Southern Sociological Congress, I trust that some one will discuss the necessity of holding up before the Negroes the conception of the Perfect Man of Galilee of unblemished character and spotless purity, who went about doing good, as well as the conception of a Savior of power and a Christ of divinity.

Educationally the Negroes of the South have made remarkable progress. In 1880, of the Negro population above ten years of age, 70 per cent was illiterate. By the end of the next decade, this illiteracy had been reduced to 57.1 per cent, and by the close of the century, it had declined to 44.5 per cent. During the last ten years of the nineteenth century, there was an increase of the Negro population of 1,087,000 in the school age of ten years and over, yet, despite this increase, there was a decrease in illiteracy of 190,000. In 1912, there are over 2,000,000 between the ages of five and eighteen, or 54 per cent of the total number of educable Negro

children, enrolled in the common schools of the former slave states, and the percentage of illiteracy among the Negroes is only 27.5 per cent.

In the state of Arkansas for the year ending June 30, 1912, 109,731 Negro children were enrolled in the common schools out of a total educable Negro population of 175,503, and the percentage of illiteracy among the Negroes was only 26.2 per cent. Besides the Branch Normal at Pine Bluff, maintained by the state at an annual expense of \$15,000, an institution which has graduated 236 Negro men and women in the thirty-eight years of its useful history, and six splendid Negro high schools at Fort Smith, Helena, Hot Springs, Little Rock, and Pine Bluff, there are six denominational high schools and colleges in Arkansas that are giving the Negroes an academic education and practical instruction in manual training, domestic science, practical carpentry, and scientific agriculture. These facts tell the story of praiseworthy sacrifice, frugality, struggle and aspiration.

The amount devoted to Negro education in the South for the forty years, ending with the academic session 1910-11, is approximately \$166,000,000. Of this amount the Negro is beginning to pay a fair proportion, especially in North Carolina and Virginia. But the Southern white people have borne the brunt of the burden, meriting the stately eulogy of the late lamented commissioner of education, William T. Harris, that "the Southern white people in the organization and management of systems of public schools manifest wonderful and remarkable self-sacrifice," and also the tribute of Dr. Lyman Abbott, editor of the *Outlook*, "while Northern benevolence has spent tens of thousands in the South to educate the Negroes, Southern patriotism has spent hundreds of thousands of dollars for the same purpose. This has been done voluntarily and without aid from the federal government."

The South as a whole has appreciated the truth of the six axioms in the programme of Negro education so admirably set forth by Dr. W. S. Sutton, of the University of Texas, in a recent bulletin, and she boldly affirms that the highest welfare of the "black child of Providence" committed to her keeping lies not in social or even political equality but in equality of industrial opportunity and educational enlightenment. Therefore, if the dangerous and insidious movement for the segregation of the school funds between

the races in proportion to the amount paid in as taxes is to be checked, the Negro must awake more keenly to the necessity of self-help, realizing that

Self-ease is pain, thy only rest  
Is labor for a worthy end;  
A toil that gives with what it yields,  
And hears, while sowing outward fields,  
The harvest song of inward peace.

In the problem of Negro education, the keystone of the arch is the rural school, which has been shamefully neglected. Dr. Dillard, by his wise administration of the Jeanes and Slater Funds, has rendered an invaluable service in the improvement of rural Negro schools, employing at the present time 117 supervisors in 119 Southern counties at an average annual salary of \$301.38 to competent teachers who coöperate with the county examiners and superintendents in the supervision of Negro schools. The question has been raised by Honorable George B. Cook, superintendent of public instruction in Arkansas, as to whether these supervisors and the funds for their employment should not be placed under the immediate control of the state departments of education by Dr. Dillard, and I respectfully submit this as a fruitful subject for discussion by this commission.

Closely allied to the proper solution of the problem of Negro education are the practical questions of better hygienic conditions and housing, the reduction of the fearful mortality rate now devastating the race, and the prevention of disease. At present the death rate of the Negroes is 28 per 1,000, as opposed to 15 per 1,000 for the whites. The chief causes of this excessive death rate among the Negroes seem to be infant mortality, scrofula, venereal troubles, consumption, and intestinal diseases. According to Hoffman, over 50 per cent of the Negro children born in Richmond, Va., die before they are one year old. This is due primarily to sexual immorality, enfeebled constitutions of parents, and infant starvation, all of which can be reduced by teaching the Negroes the elementary laws of health.

The highest medical authorities agree that the Negro has a predisposition to consumption, due to his small chest expansion and the insignificant weight of his lungs (only four ounces), and this

theory seems to be borne out by the fact that the excess of Negro deaths over whites from consumption is 105 per cent in the representative Southern cities. But however strong the influence of heredity it is undeniable that consumption, the hookworm, and fevers of all kinds are caused in a large measure by the miserable housing conditions prevalent among the Negroes. Poor housing, back alleys, no ventilation, poor ventilation, and no sunshine do much to foster disease of all kinds.

Furthermore, people cannot be moral as long as they are herded together like cattle without privacy or decency. If a mother, a father, three grown daughters, and men boarders have to sleep in two small rooms, as is frequently the case, we must expect lack of modesty, promiscuity, illegitimacy and sexual diseases. It is plainly our duty to preach the gospel of hygienic evangelism to our unfortunate "neighbors in black," for the Ciceronian maxim, *Mens sana in corpore sano*, is fundamental in education. Certainly, he who is instrumental in causing the Negro to build two and three-room houses where only a one-room shack stood before and to construct one sleeping porch where none was before deserves more at the hands of his fellowman than the whole race of demagogues put together.

Economic progress has been the handmaid of educational enlightenment in the improvement of the Negro. Indeed, to the Negro the South owes a debt of real gratitude for her rapid agricultural growth, and in no less degree does every true son of the South owe the Negro a debt of gratitude for his unselfishness, his faithfulness, and his devotion to the white people of Dixieland not only during the dark and bloody days of the Civil War but during the trying days of our industrial and political renaissance.

To the Negro, either as an independent owner, tenant, or laborer we partly owe the increase in the number of our farms from 504,000 in 1860 to over 2,000,000 at the present time; the increase in our farm values from \$2,048,000 in 1860 to \$4,500,000 at the present time; the decrease in the size of our farm unit from 321 acres in 1860 to 84 acres at the present time.

In this substantial progress of our glorious Southland, the Negro has had a distinct and commendable share. It has been estimated by workers in the census bureau that in 1890 Negroes were cultivating, either as owners, tenants, or hired laborers, one hundred million acres of land, and at the present time the estimated value

of property owned by Negroes in the United States is \$750,000,000. Of the 214,678 farmers in Arkansas in 1910, 63,593, or almost 30 per cent, are Negroes, and of these Negro farmers, 14,662, or 23 per cent were owners and 48,885, or 77 per cent, were tenants. In the United States as a whole at the period of the last decennial census, there were 2,143,176 Negroes engaged in farming; 1,324,160 in domestic and personal service; 275,149 in manufacturing and mechanical pursuits; 209,154 in trade and transportation, and 47,324 in professional service—a remarkable showing for a race that emerged barely three centuries ago from the night of African darkness and depravity.

However, there are four well defined retarding forces to the fullest economic development of the Negro in the South, and to these evils this commission should give thoughtful and earnest consideration—the tenant system, the one crop system, the abuse of the credit system, and rural isolation. I believe that industrial education, teaching the Negro the lessons of the nobility of toil, the value of thrift and honesty, the advantages attaching to the division of labor and the diversification of industry, and the dangers lurking in the seductive credit system, will prove an effective panacea for these self-evident evils.

Therefore, as a Southern man, born, raised, and educated in the proud commonwealth of Mississippi, I welcome the splendid efforts of such men as Booker T. Washington, of the Tuskegee Institute; Major Morton, of Hampton Institute; Joseph Price, of Livingston College, North Carolina; Charles Banks and Isaiah Montgomery, of Mississippi; and Joseph A. Booker and E. T. Venegar, of Arkansas; in behalf of the industrial education of their race.

As the sons of proud Anglo-Saxon sires, we of the South doubt seriously the wisdom of the enfranchisement of an inferior race. We believe that reconstruction rule was “a reign of ignorance, mongrelism, and depravity,” that the Negro is the cheapest voter and the greatest Bourbon in American politics, North and South alike, and that as a political factor he has been a disturbing factor in our civic life. Personally, I believe in the Mississippi educational qualification test for suffrage, sanely administered, with as much ardor as in a literacy test for foreign immigration.

However, “a condition and not a theory confronts us.” As an American citizen the Negro is entitled to life, liberty and the pur-

suit of happiness and the equal protection of our laws for the safeguarding of these inalienable rights. The regulation of suffrage in the South, as well as in the North, is and always will be determined by the principle of expediency. But none but the most prejudiced Negro-hater, who often times goes to the extreme of denying that any black man can have a white soul, would controvert the proposition that in the administration of quasi-public utilities and courts of justice, the Negro is entitled to the fair and equal protection of the law. Separate coach laws are wise, but discriminations in service are wrong.

If "law hath her seat in the bosom of God and her voice in the harmony of the world, all things paying obeisance to her, the greatest are not exempt from her power and the least as feeling her protecting care," if

Sovereign law, the state's collected will,  
Sits empress, crowning good, repressing ill,

then the meanest Negro on a Southern plantation is entitled to the same consideration in the administration of justice as the proudest scion of a cultured cavalier.

It is, indeed, a travesty on Anglo-Saxon jurisprudence to send a Negro to the penitentiary for a term of eighteen years for selling a gallon of whiskey in violation of law and at the same time allow scores of white murderers to go unpunished, as was recently stated to be a fact by a governor of a Southern state. Even if it be only theoretically true that "all people are created free and equal," and if, as a practical proposition, the Negro is a "Ham-sandwich for the Caucasian race," it is undeniably true that he is entitled to the equal protection of our laws and to the rights safeguarded every American citizen under the beneficent provisions of the Constitution of the United States.

If I may use the eloquent words of the golden-tongued, clear-visioned, and lion-hearted Bishop Charles B. Galloway, "The race problem is no question for small politicians, but for broad-minded patriotic statesmen. It is not for non-resident theorists, but for clear-visioned humanitarians. All our dealings with the Negro should be in the spirit of the Man of Galilee."

The task confronting this commission, composed of Southern white men and representing the universities of the South, is Atlan-



tean in its magnitude, and fraught with tremendous significance. I believe that ours is a noble mission, that of discussing the ways and means of bettering the religious, educational, hygienic, economic, and civic condition of an inferior race. I believe that by protesting against the miscegenation of the races we can recognize the sacredness of the individual white and the individual Negro and do much to preserve that racial integrity recently jeopardized by the Johnson-Cameron misalliance. I believe that by preaching the gospel of industrial education to the whites and Negroes alike we can develop a stronger consciousness of social responsibility. I believe that by the recognition of the fact that in the Negro are to be found the essential elements of human nature, capable of conscious evolution through education and economic and religious betterment, we will be led at last to a conception of a world of unity, whose Author and Finisher is God.

## FIFTY YEARS OF FREEDOM: CONDITIONS IN THE SEA COAST REGIONS

BY NIELS CHRISTENSEN,

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The story of the Sea Island Negroes in Beaufort County, S. C., is one of peculiar interest. Here to an unusual extent they predominate in numbers, and, in a greater measure than is usual elsewhere, are land owners. Their inherent tendencies have controlled them to a maximum degree.

For the most part, the rural Negro of the South is massed along the alluvial lands of the coasts and the great rivers. As Dr. Carl Kelsey has pointed out in his admirable study *The Negro Farmer*, the tendency is to segregate. It therefore becomes important to determine the rate of the progress of the race where there is the minimum of influence from his white neighbors.

The progress of any people will be greatest by those groups which are in closest contact with civilizing influences. Industrial conditions and the influence of the white race are perhaps the strongest forces molding the Negro. On the rich land of the sea coast region, and on the alluvial lands of the rivers, industrial conditions are favorable in that there is no limit to the progress the individual farmer can make, no one to say him nay, a world-wide market, a congenial occupation. But here there is little contact with the white. Where, as a tenant farmer of the white land-owner, or as a customer of the white store-keeper, he has the urging of his task-master behind him, or as an independent farmer and land owner, he has the example of a white neighbor, the Negro responds. Where he is left to himself he drags.

The extent of his progress under the last named conditions, this article will in a measure set forth in a study of local conditions in one county, from which general tendencies may be deduced.

## CHARACTER OF THE POPULATION

In 1860 old Beaufort District had a population of 6,715 whites and 33,339 blacks. In 1870 Hampton and Beaufort Counties were formed from Beaufort District. The last census for these two counties shows 12,969 whites and 42,496 Negroes. While the whites have gained 93 per cent, the increase of the Negroes has been 27½ per cent.

In 1910 there were only eight counties in the country with a larger proportion of Negroes than Beaufort County, the percentage being 86.9 per cent Negro and 13.1 per cent white. Ten years ago it was 90½ per cent black. The last census shows that the Negroes have decreased 18 per cent since 1900 in Beaufort County, the sea coast half of the territory of Beaufort District, while the whites have increased 18.3 per cent.

This Negro population of 26,376 includes only 1,230 mulattoes, or 4.6 per cent as against 16 per cent for the state at large, and 20.9 per cent for the country.

The total population of the county (30,167) is distributed over its 920 square miles at an average of 33 to the mile.

Summarizing, we might say that in this rather thinly settled district, largely occupied by pure blooded Negroes, the race is diminishing by reason of emigration to the cities and the saw mills and turpentine camps, where there is a demand for unskilled labor.

## MORALITY

*Criminal records*

An examination of the records of the criminal courts cannot go back of 1879 as the dockets before that date are missing. I have therefore, compared the records for the years 1879, 1880 and 1881 with those of 1910, 1911 and 1912. The first records do not designate white and black law-breakers and the figures are totals. However, a careful examination of the names indicates very few, if any, whites brought to trial. The records for the latter period are for Negroes only. There were only four or five whites tried during this last period. The total number of cases brought to trial and the total convictions for the two periods are given. The first period shows 164 cases, and 61 convictions, and the latter shows 65 cases and 49 convictions.

In the first instance only 37.2 per cent of those tried were convicted, and in the second 75.3 per cent. This condition may be accounted for by the fact that in the earlier period the county machinery was largely in the hands of Negroes, and the percentage of Negroes on the juries was considerable. White juries are not so lenient.

The record may be classified as follows:

	1879-1881	1910-1912
Crimes against the person.....	62	27
Crimes against property.....	78	31
Other crimes.....	24	7
Total.....	164	65

Of the 62 cases, 11 were for murder, 13 for assault and battery, 17 assault with intent to kill, 12 riot and assault, 8 assault with intent to rape. The latter two crimes do not appear at all among the cases of 1910-1912. The intent to rape were committed against their own race, while the riots were disturbances among church congregations. There has been no attempt by a Negro to commit rape upon a white woman, except in one instance where both parties were non-residents and in the county for only a few hours at a railroad junction.

Of the 78 cases, 18 were for grand larceny, 24 for petit larceny, 21 for house-breaking, 6 for trespass, 5 for breach of trust.

In a population of more than 26,000 Negroes only one quarter of 1 per cent are indicted each year in the circuit court.

Most of the crimes of violence may be traced to whiskey as an aggravating factor.

#### *The Church Records*

The amount of support given his church may not be a certain indication of the Negro's advance in morality, but it certainly is worth consideration.

Freedom found him with a considerable church membership, and he fell heir to some church property which had belonged to his masters. But the records which show the financial condition of the several congregations for this county indicate pretty accurately his accumulations since slavery.

In the "low country" the Baptist church has the largest following. The Methodist comes next in importance, and there are enough Presbyterians in the town of Beaufort to own a church. Of other denominations there is little heard among the Negroes here.

From the church organizations of Beaufort County statements have been secured for the purpose of this review and compilation made. This recapitulation is not accurate, but is approximately correct.

We find 68 churches, with 10,339 members, cared for by 38 pastors. The church property is valued at \$91,625 and the annual funds collected for all church purposes are \$17,967.19.

The average, then, would be a church of 152 members served by a pastor giving a little over half his time to this particular charge. The property would be worth \$1,494 and the annual contribution \$264.

Viewing it from another angle, we see that there is a church member for every 2.55 of the total Negro population of 26,376, and that the annual subscription amounts to 68 cents for each one of the said total population of the county.

Reviewing these figures it may be concluded that the percentage of criminals is small and diminishing, and that the church is well supported. It may be added that the leading ministers are usually men of force, character and education and that the influence of the church is far greater than that of the public school. The minister is the natural leader. The standard of sexual morality in the rural districts is low, and while drunkenness is not at all common, the "county dispensaries" sell annually \$150,000 worth of whiskey, most of which is bought by Negroes.

#### LITERACY

The school attendance for the Negro for Beaufort County between the ages of six and fourteen is 49.4 per cent, as against 56 per cent for South Carolina and 59.7 per cent for the country at large.

Of the race ten years of age and over in this county, 43 per cent are illiterate, with which we may compare 38.7 per cent for the state and 30.4 per cent for the country. But the rate of decrease in illiteracy in Beaufort County between 1900 and 1910 was 29.68

per cent, while that for the country was 31.6 per cent and for the state 26.7 per cent.

This county has an unusually large revenue for school purposes, derived in considerable measure from profits of the liquor business which it manages as a monopoly. The amount of expenditure per black pupil is \$3.08 per annum as against \$1.98 for the state at large; the average salary per colored teacher is \$148.96, and for the state \$113.72. The county school session is 16.1 weeks, and the state's 13.8. Moreover there are now three private schools maintained principally by Northern contributors, and in the past decades there were more. In the county there are on an average, 56 pupils to each teacher, and 64 in the state. The average number of pupils in each school is 56, and in the state 64. The excess in number of illiterates, therefore, is not due to lack of opportunity.

Need of the stimulus of white example shows itself particularly in the conditions as to illiteracy. With greater educational opportunities the coast Negroes have accomplished less in fifty years than their race in the up-state counties, though the response in the last decade has been marked, and greater than in the state at large.

#### INDUSTRY

The economic advance of the Negro during his fifty years of freedom may be best determined by discovering what he possesses today. It would be difficult to fix, even approximately, the value of his annual earnings in this one county. He came out of freedom without property and with this as a starting point we may discover certain facts.

An attempt has been made, however, to compare the cotton crop of 1860 with that of the present day in this section, but without very satisfactory results as to accuracy. The census shows that where the old Beaufort District raised 190.95 pounds per inhabitant, the same territory in the last four years raised an average of 260.47 pounds. In Beaufort County, where a large part of the crop is raised by Negroes, the crop for the last named period averaged 162 pounds.

It is generally held among the merchants who "carry" these Negro farmers that they are not maintaining the grade of their long staple cotton nor making as large yields as formerly. This may in

part be attributed to the fact that the prices for the staple have not increased in proportion to the cost of living. The stagnation in the market of their principal crop results in the dwindling population noted.

The falling off in cotton raising is also attributed to the fast disappearing number of slavery-trained Negroes. No universal industrial training has been substituted for the new generation. The industrial schools are not numerous enough to have marked effect on large areas, and only in the past decade have they been industrial in more than name.

A cash-paying Negro farmer is an exception. Twelve months' credit is the rule, and a natural result of a one-crop system.

## TAX BOOK FIGURES

A study of the present property holdings of the Negroes in the four blackest townships of the county may be interesting. They have a population of 21,910, including the 3,000 credited to the towns of Port Royal and Beaufort. Outside of these towns the white population is negligible; in one township with over 7,000 Negroes, there are not 100 whites. The figures for real and personal property are taken from the books of the county auditor. As whites and blacks are not designated on these records, it was necessary to secure the assistance of the present auditor and of one who served

## FOUR TOWNSHIPS

	1876			1912		
	White	Negro	Total	White	Negro	Total
No. of taxpayers.....	341	2,937	3,278	662	7,024	7,686
No. of buildings.....	501	406	907	1,116	2,663	3,779
No. of acres.....	98,369½	62,195½	160,565	134,384	50,913	185,297
No. of town lots.....	129	367	496	1,573	885	2,458
Average acre per taxpayer.....	288.4	25.9	.....	200	7	.....
Value personalty.....	\$237,609	\$250,402	\$488,011	\$407,590	\$274,735	\$682,125
Value realty.....	\$608,120	\$361,253	\$969,373	\$948,250	\$643,400	\$1,591,650
Total value.....	\$845,729	\$611,655	\$1,457,384	\$1,355,840	\$918,135	\$2,273,775

many years ago. These gentlemen indicated the white tax payers on the books and on this data the following study is based. The statement of the bank holdings is estimated by the bank authorities, and the church property is given from figures supplied by the church organizations before referred to.

The figures for 1876 and 1912 were taken to show the relative progress.

In the late sixties between 20,000 and 25,000 acres were sold to the Negroes of two of these townships for a nominal price by the federal direct tax commissioners. The latter acquisitions have been on the open market.

1. Previous to 1876 the county and state governments were in the hands of Negroes and exploiters and were much demoralized. In the years since, the acres returned in the given townships have been steadily increased.

2. Thirty-six years ago the Negro holdings were in the hands of heads of families that have since been divided among heirs. Hence the decrease in the size of per capita holdings.

3. The realty is returned for assessment at about one-third its value and the personalty at about 60 per cent.

It will be seen that though the number of buildings returned by the blacks has increased over sixfold, and though more than double the number of individuals are paying taxes on an assessed value 50 per cent greater than in 1876, yet the land returned has diminished. Over 11,000 acres have slipped away in thirty-six years. At the same time they have increased their ownership of town lots from 367 to 885.

#### PRESENT HOLDINGS

Realty (market value).....	\$1,930,200
Personalty (market value).....	384,629
Savings in banks.....	40,000
Church property.....	83,125
Total.....	\$2,437,954

The per capita worth of each Negro enumerated in these townships in the last census, would be over \$120.

It is significant that of the total realty and personalty (\$2,314,829), more than one half, or \$1,434,321.80, was secured in the first ten years of freedom.



## PERSONAL APPEARANCE

The steady improvement in dress and hygiene is noticeable. In this part of the South where the dividing line between the races in matters social and political is strongly marked, there is little friction. The Negro brought from slavery a genuine deference to the white race, that showed itself in "good manners." Today much of this spirit remains.

## THE FUTURE

The inertia of the race where left to itself, impresses those who live among them and study the progress of this people. It is often remarked that the sea food of the coast makes existence too simple a matter. The temptation is to "live in the creek," where the fish, crab, oyster and terrapin afford an abundance of food supply and the source of a small money revenue. But little fuel or clothing is necessary. The climate affects all with lassitude. Why toil and slave where airs are balmy, skies clear, all nature languorous, and man's necessities few? What does "freedom" mean if not emancipation from arduous labor? One sometimes wonders that there is any advance.

Yet there is progress. The story of the development of truck farming is one of patient industry rewarded now by large returns. Around Norfolk, Charleston and at several points in Florida the success of market gardeners has been one of the significant industrial developments of the coast region for the half century. In Beaufort County capital has been accumulated, icing, transportation, and other marketing facilities built up, and lands developed to the point where the truck crop is as important as the cotton crop. Farmers have netted over \$1,000 an acre for lettuce, and this season one potato grower has twenty times that amount as the profit of his whole crop. The advanced methods, with accompanying improved machinery, introduced by these men, most of them natives, are making over agricultural conditions.

As yet the Negro's part in this new agricultural life is principally that of the day laborer. A considerable number are raising truck successfully in a small way, but it takes capital, intelligence, and experience to succeed, and no great increase in the number of Negro truck farmers are looked for in the immediate future. Mean-

while he is learning the value of intensive farming which the rice and cotton fields of the great plantations did not teach him.

The enterprise with which this new agricultural life is infusing the coast regions is felt in all occupations, and, as skilled artisan and day laborer, the Negro is part of most of them. His industrial life is inextricably bound up with the industrial life of this territory where he is so large a part of the population. Every movement affects him.

No man can foresee the direction agricultural development here will take. Once indigo was raised and exported from this town in locally built ships, rice came, and by improving the grade the name of Carolina was made known around the world. A fine fiber of cotton established the reputation of the Sea Islands in every factory where the best cotton goods are made. Today indigo has disappeared, rice has all but gone, the long staple cotton business is not thriving, but the wealth of the great eastern cities is paying our farmers fancy prices for lettuce in winter, potatoes in the spring and other vegetables out of their seasons.

Other unforeseen economic conditions may come to leaven the mass. Phosphate mining played a part here for two decades and then passed on to Florida and other sections, and the oyster canneries of this and the gulf coast now employ Negro gatherers and shuckers. Climatic and other conditions make these Sea Islands an ideal winter recreation ground for the nation, and the future will doubtless see them so used. Plan as we may, theorize with ever so much seeming wisdom, in the fulness of time some great economic change comes, sweeping all before it, forming new barriers, destroying old ones, cutting new channels. But in all human probability the possibilities of the years to come lie in agriculture, and with more white farmers to lead in the development of these lands, the coast regions will advance with rapid strides.

It is probable that long before the vast uncultivated areas of the South have become occupied, the Negro will have firmly established himself in all the black districts, as he has here, as a land owning farmer. Surrounded by an ambitious, progressive and enlightened people, his rate of progress will be accelerated.

## THE WHITE MAN'S DEBT TO THE NEGRO

BY L. H. HAMMOND,

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We hear the phrase with increasing frequency—"the white man's debt to the Negro;" but there is no debt white people owe to Negroes on the ground of race. As a descendant of slave-owners, a long-time friend of the Negro, and a lover of my own people, Southern problems are for me both an inheritance and an environment; and I believe both the North and the South have obscured and magnified the task of Negro uplift by continually talking and thinking about it in terms of race. If we would see life sanely, we must see it whole. No race can be understood when regarded as a detached, and consequently anomalous, fragment, cut off from its wide human relations. Races are human first and racial afterwards. Differences go deep, and abide; but likenesses go deeper yet: the most radical evolutionist and the most ultra-orthodox Christian must agree on that point.

There are just two things in the so-called Negro problem which are really questions of race. One of them is the desire of the better classes of both races to keep whites and blacks racially, and therefore socially, distinct. This is expensive, especially in the matter of separate public schools; but no wise man, in either race, objects to that. In such a case, however, both justice and statesmanship require that school provision be made, not according to a man's ability to support the schools but according to the children's needs. This standard is far from being attained in the South, or in many other sections; yet our best men see its wisdom, and we do move toward it, though slowly and haltingly.

The other purely racial ingredient of the "Negro" problem is prejudice; and it is not confined to either race. Yet after all, though racial and local in its manifestations, as race prejudice must always be, it is as wide as humanity and as old as time. It cannot be charged upon the South alone, nor are its manifestations in the South, in any respect, peculiar to Southern whites or Southern blacks;

they are peculiar to that stage of intellectual and moral growth which those manifesting the prejudice have attained. And, knowing this, one may regard it, not without sorrow, but without bitterness, and with hope. It is a stage of life, and it will pass.

With these two exceptions all that we white Americans, North and South, have so long known as the Negro problem is not Negro nor racial, but human; and the sooner we all recognize this fact the sooner our sectional and racial prejudices and animosities will give place to mutual sympathy and coöperation. There can be, in the nature of things, no successful sectional appeal between North and South, nor successful racial appeal from black to white, or *vice versa*; a successful appeal must be made from a common standing-ground, and that we find, not in our differences, but in our common humanity.

Our Negro problem is, with the exceptions noted, our fragment of the world-problem of the privileged and the unprivileged, of the strong and the weak, dwelling side by side. It is human, and economic. We say, here in the South, that the mass of the Negroes are thriftless and unreliable; that their homes are a menace to the health of the community; and that they largely furnish our supply of criminals and paupers. And most of us believe that all this is the natural result, not of the Negro's economic status, but of the Negro's being Negro.

There is truth in the indictment; yet it is by no means so largely true as many of us believe. Take a single instance: the census of 1910 shows the value of Negro-owned farm lands in the South to be \$272,922,238, a gain of over 150 per cent for the decade. The same decade shows a decrease in Negro illiteracy from 48.1 per cent in 1900 to 33.4 per cent in 1910. These figures prove that the race is advancing rapidly, no matter how much ignorance, incompetence and criminality remain for future elimination. They also prove, lynching and other barbarities to the contrary notwithstanding, that Southern whites, as a whole, are not as bad neighbors for Southern blacks as some of our Northern brethren fear.

A main reason for disregarding, in our estimates of Negro life, the extraordinary progress of a large and growing section of the race, and for our fixing our attention almost entirely upon its less desirable members is that the latter are the Negroes most prominent in our own lives. As the Negro gains in culture, in efficiency, in

his struggle for a competence, he withdraws into a world of his own, a world which lies all about us white folk, yet whose existence we rarely suspect. The inefficient of the race, the handicapped, the unambitious, the physically and morally degenerate—all these remain in that economic morass which we regard as purely racial; and from them we draw the bulk of our supply of unskilled laborers and servants. From this class, too, we fill our jails; and to many of us it is all the class there is. As fast as a man rises out of it he disappears from our field of vision.

I have been impressed increasingly by these facts since my husband and I have laid aside other things and come to live at a school for the higher education of Negroes. In our many previous years of effort to aid the race we had become aware of this withdrawn world, of course; but it remained remote, intangible, save for brief, bewildering glimpses. It is not yet an open world; but since we have taken this public and decisive stand of sympathy we pass the threshold, and come upon that deeper life which aspires in the breasts of those who carry in their own hearts the sorrows and burdens of a race. One must be struck with a sense of the sacrificial instinct of this class. It is with Negroes as with other races: under pressure of misfortune or of calamity a race or a nation, like an individual, sinks down to the sources of life, and rises to wider vision; brotherhood becomes real to them. The Negro who has risen to higher intellectual and industrial levels and who does not realize his debt of service to the less fortunate of his race is rather the exception than the rule.

But the mass of the Negroes are still in the economic morass; and we of the South do not yet realize that conditions such as it furnishes produce exactly the same results in men of all races, the world around. In a population racially heterogeneous, like that of New York or Chicago, or in one racially homogeneous like that of London or Rome, or in a bi-racial population like our own, the people who live on the edge of want, or over it, furnish nearly the whole of the world's criminal supply. Insufficient food, housing conditions incompatible with health or decency, a childhood spent unprotected in the streets—these things produce, not in this race or that, but in humanity, certain definite results: ill-nourished bodies, vacant and vicious minds, a craving for stimulants, lack of energy, weak wills, unreliability in every relation of life. French slums

breed French folks like that, Chinese slums breed such Chinamen, English slums Englishmen of the same kind, and Negro slums such Negroes.

When we see this, approaching our "Negro" problem by world-paths, grasping it in its world-relations, we will begin to do what the privileged classes are learning to do elsewhere—to widen the bounds of justice, to open the door of opportunity for all, to give our slum-dwellers a living, human chance.

It is not for a moment claimed that when they have a human chance slum dwellers of many races and of diverse inheritances will be all of one pattern. It is only in the depths of undevelopment that differences disappear. In the lowest forms of life even animal and vegetable seem one; but as life develops it differentiates. Slum-dwellers, when the way of growth is opened for them, come true to type, and will render each their own racial service to the human brotherhood.

Here in the South, as elsewhere, the stability of civilization is to be measured by the condition of the masses of our working people. Men of all nations have been prone to think that enduring national strength can be built up on rottenness; that national and industrial life can be broad-based and firm though it rest on injustice to the poor and the despised, on ignorance, immorality, inefficiency, disease; that the great huddled mass of workers can be safely exploited and then ignored; that a people may defy the fundamental law of human life and prosper. So, from the beginning, have nations fallen; until, at last, men began to learn. In the old world and in the new we are moving slowly, along much-lauded paths of science, to that ignored simplicity of Jesus Christ, whose word of human brotherhood we have forgotten.

Here in the South we are moving too. Some of our best are turning to serve our neediest. In Louisville, Ky., is a man, the son of an Alabama banker, a man of substance and family, who is conducting settlement work for Negroes, serving them in the same ways that other college-bred men and women serve folk of other races in the same economic class elsewhere. One of the International Y. M. C. A. secretaries, a Southern man, has enrolled six thousand young men in our Southern colleges to study the white man's debt to the Negro; and another Southern secretary is following up the work by organizing these young men for social

service among Negroes. The Southern University Commission on the Negro, an outgrowth of the first Southern Sociological Congress, held a year ago, is composed of men both young and old from every Southern state university, who are agreed as to the duty of the favored race to secure justice and opportunity for the backward one. The Woman's Missionary Council of the Southern Methodist Church, an organization representing over two hundred thousand of our white women, recently adopted a plan for coöperation between their own local societies, some four thousand in number, and the better class of Negroes, for the uplift of the poorer classes, locally, throughout the South. Through their secretary for Negro work efforts in this direction are already being made at several points. The Southern Baptists have still more recently decided to open a theological seminary for Negro preachers. It is to be in connection with their seminary for white preachers, and the same man, one of their most honored leaders, is to be the head of both institutions. The Southern Presbyterians have long had a theological seminary for Negroes, where Southern white college men have taught their darker brothers. In South Carolina white members of the Episcopal church, both men and women, are giving their personal service to the Negroes. The Southern Methodists have for thirty years maintained a school for the higher education of the race where college-bred Southern white men and women have taught from the beginning. The Southern Educational Association has been on record for several years as favoring the teaching of Negro normal students by Southern whites; and the work of a man like the Virginia state superintendent of Negro rural schools is something for both races to be thankful for. Southern club women, too, in more than one state, are showing both by word and deed a spirit of sympathy with the Negro life in their midst. Among the many encouraging and inspiring utterances by both whites and blacks at the recent meeting of the Southern Sociological Congress in Atlanta no single speech summed up the race situation as did that of a young Negro on the closing night.

"I have always known," he said, "that the old Southern white man understood and trusted the old Negro, and that the old Negro understood and trusted the old Southern white man; but before this congress I never dreamed that the young Southern white man and the young Negro could ever understand or trust one another; and

now I know they can; and that shoulder to shoulder, each in his own place, they can work out together the good of their common country."

In all the congress, no speech won from the white people heartier applause than this. But the white men who spoke, college professors, lawyers, business men, preachers, had their audience with them also, as they called for justice and brotherhood and service in the spirit of Christ.

The millennium is probably far to seek; but vision is coming to our leaders—a vision of human oneness under all racial separateness, of human service fitted to human need. And as the leaders are, the people will be. When even one man sees truth its ultimate triumph is always assured. Whatever may happen in between, the final issue is inevitable.

The educational needs of the Negroes are great. The mass of them, like the mass of every race, must always work with their hands, doing what we call the drudgery of life. They need to learn, as we all do, that drudgery is not in work, but in the worker's habit of mind. We need, not merely in the South, but in America, to approach the German standard in regard to industrial training for the rich and the poor of all races. As we grow more rational ourselves the Negroes will catch the infection, as they have caught from white folk, North and South, an irrational scorn of "common" work. Our public and private schools, especially our normal schools, for both races, need large development in industrial training. We are awaking to this fact, particularly in regard to our white schools; and as they progress along broader lines progress in schools for Negroes will be easier.

The only absolutely untouched need of the Negro, and it is a need most fundamental, most disastrous in its long neglect, is the need for decent, healthful houses for the poorer classes. We are just developing a social consciousness in the South, and it is naturally first aroused by the needs of the poor whites. We know little, as yet, of slum populations elsewhere, and we think of the Negro slum-dweller as a separate fragment of life, unrelated, a law unto himself, creating his slum as a spider spins his web, from within. We build him shacks and charge heavy rents, as landlords of this economic class do the world around. Cheap as the shelter furnished is, it deteriorates so rapidly, through neglect and misuse, that the



owners of such property, the world over, declare that the high rentals are necessary to save them from actual loss.

We need an experiment-station in Negro housing in the South. Fifty thousand dollars would buy a city block of six acres, and put on four of them eighty well-lighted, three-roomed houses, with water and a toilet in each, and with a tiny garden-spot. Two acres would furnish a playground for the children, otherwise doomed to ruin in the city streets; and there would be money enough left to put up a settlement house providing for a kindergarten, free baths, boys' clubs, industrial classes, a place of recreation for young people whose only present refuge is a low dance-hall or a saloon. At two dollars per room per month, the price paid in my own town by people of this class for houses which are a menace to the whole community, the income from such an investment would pay the salary of a social worker, who would collect the rent on the Octavia Hill plan, and would yet yield 10 per cent gross on the investment, in dollars and cents. In character-building, in the cutting off of our pauper and criminal supply, in convincing our white people that the slum breeds the Negro we find in the slum, the return on the investment would be incalculable.

An experiment like this, worked out to success and advertised through the South, would awaken the interest and win the approval of very many Southern business men who deplore the Negro slum but see no hope of abolishing it. Money would be invested in decent homes for this class as soon as white men saw it could be done without financial loss. Such an experiment station would do more than any other one thing I know of to help the Negroes who most need help; but the money for this initial enterprise will have to come from beyond the South, where these methods have already been successfully tried. That it will come I firmly believe. When things ought to be done they get done, somehow; and this fundamental need is to be met.

## NEGRO CRIMINALITY IN THE SOUTH

BY MONROE N. WORK,

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Prior to the Civil War there was not, in the South, the problem of Negro crime such as now exists. Although at that time each of the slave states had elaborate and severe laws for dealing with Negro criminals, they were, in proportion to the total number of Negroes, comparatively few. Immediately following emancipation, however, their numbers increased. This was inevitable; for many of the restraints that had been about the slaves were suddenly removed and much of the machinery for state and local government had broken down. As a result there was confusion and disorder. Many of the slaves left the plantations. There was the beginning of the migration from section to section from the rural districts to the cities and from the South to the North. Under all these circumstances it was not surprising that there should be an increase in Negro crime. The wonder is that there was not more confusion, disorder and rapine. The great majority of the freedmen did not attempt to be lawless. They exercised the same restraint that they had exercised during the four years that their masters had been away on the field of battle. But to some of the newly enfranchised, freedom meant the license to do what they pleased. It was from this class that the majority of the criminals came.

As an example of the increase in the number of Negro criminals, we will take the state of Georgia. In 1858, there were confined in the Georgia penitentiary 183 prisoners, all of whom were apparently white. Twelve years later, in 1870, there were 393 prisoners in this penitentiary, of whom 59 were white and 334 colored.

According to the United States census, the total number of Negroes confined in Southern prisons in 1870 was 6,031; ten years later, the number, 12,973, had more than doubled; twenty years later, the number, 19,244, was three times as great; thirty-four years later, however, that is in 1904, the number of Negroes confined in Southern prisons was 18,550. This would appear to indicate that,

so far as prison population is an index, Negro criminality in the South in recent years has not increased. It is probable that there is some decrease, for a study of criminal statistics of cities North and South, indicates that between 1890 and 1904 Negro criminality, which up to this time had seemed to be steadily increasing, reached its highest point and began to decrease. It appears that the decrease began about 1894-1895.

The number of prisoners per 100,000 of Negro population also appears to bear out this conclusion. It also shows that there is a much higher rate of crime among Negroes in the North than in the South. This is to a large extent due to the fact that seven-tenths of the Negroes in the North, as against one-tenth in the South, live in cities and are of an age when persons have the greatest tendency to crime.

In the following table the number of Negro prisoners in Northern and Southern states is compared.

NEGRO PRISONERS

Year	Northern States	Southern States
1870	2,025	6,031
1880	3,774	12,973
1890	5,635	19,244
1904	7,527	18,550

PRISONERS PER 100,000 OF NEGRO POPULATION

1870	372	136
1880	515	221
1890	773	284
1904	765	220

It is significant that the number of lynchings reached its highest point about the same period that Negro crime reached its highest point. From 1882 to 1892 the number of persons lynched annually in the United States increased from 114 to 255. From that time on the number decreased. In 1912, there were 64 lynchings in the United States. The total number of lynchings during the thirty years from 1882 to 1912 were 4,021. Of this number, 1,231 were whites and 2,790 were Negroes. The average per year for Negroes was 93, for whites, 41. From 80 to 90 per cent of the lynchings are in the

South. Less than one-fourth of the lynchings of Negroes is due to assaults upon women; in 1912 only one-fifth was for this cause. The largest per cent of lynchings is for murder or attempted murder. Over 10 per cent is for minor offenses.

It is of still greater interest to compare the commitments for rape. In 1904, the commitments for this crime per 100,000 of the total population were: all whites, 0.6; colored, 1.8; Italians, 5.3; Mexicans, 4.8; Austrians, 3.2; Hungarians, 2.0; French, 1.9; Russians, 1.9. Of those committed to prison for major offenses in 1904 the per cent committed for rape was, for colored, 1.9; all whites, 2.3; foreign white, 2.6; Irish, 1.3; Germans, 1.8; Poles, 2.1; Mexicans, 2.7; Canadians, 3; Russians, 3; French, 3.1; Austrians, 4.2; Italians, 4.4; Hungarians, 4.7. The commitments for assaults upon women are low in the Southern States. In the south Atlantic division the rate per 100,000 of the population in 1904, was 0.5; in the south central division it was 0.7. Some would suppose that the low rate of commitments for rape in the South is due to the fact that the most of the perpetrators of these crimes are summarily lynched; but if, however, all the Negroes who were lynched for rape in the South were included, the rate for colored would be changed less than one-fourth of 1 per cent.

The report of the immigration commission in 1911 on *Immigration and Crime* gives the following concerning the per cent that rape forms of all offenses by Negroes and whites: of convictions in the New York City court of general sessions for nine months of 1908-1909, Negro, 0.5; foreign white, 1.8; native white, 0.8. Chicago police arrests from 1905-1908, Negro, 0.34; foreign white, 0.35; native white, 0.30; of alien white prisoners, 1908, in the United States, 2.9.

Both North and South the crime rate for Negroes is much higher than it is for whites. In 1904 the commitments per 100,000, in the entire country, were, for whites, 187; for Negroes, 268. In the Southern States, Negro crime compared with white is in the ratio of  $3\frac{1}{2}$  to 1. On the other hand it is interesting to find that the Negro has a relatively lower crime rate than several of the emigrant races who are now coming to this country. The following table shows the commitments to prison, in 1904, per 1,000, of certain nationalities:

Nationality	Number in United States according to census 1900	Prison commitments in 1904	Commitments per 1,000 of each nationality
Mexicans.....	103,410	484	4.7
Italians.....	484,207	2,143	4.4
Austrians.....	276,249	1,006	3.6
French.....	104,341	358	3.4
Canadians.....	1,181,255	3,557	3.0
Russians.....	424,096	1,222	2.8
Poles.....	383,510	1,038	2.7
Negroes.....	8,840,789	23,698	2.7

As a result of emancipation and the increase in Negro crime, great changes were brought about in the prison systems of the South. Before the war the states of the South operated their prisons on state account and they were generally a burden on the states. After the close of the war the states found themselves with an increasing prison population and no resources from which to make appropriations for the support of these prisons. Throughout the South there was great demand for labor. Inside the prisons were thousands of able-bodied Negroes. Offers were made to the states by those needing labor to lease these prisoners, and so it was discovered that what had been an expense could be converted into a means of revenue and furnish a source from which the depleted state treasuries could be replenished. Thus it came about that all the Southern state prisons were either by the military governments or by the reconstruction governments, put upon lease.

The introduction of the convict lease system into the prisons of the South, thereby enabling the convicts to become a source of revenue, caused each state to have a financial interest in increasing the number of convicts. It was inevitable, therefore, that many abuses should arise. In his report for 1870, less than a year after the Georgia lease had been effected, the principal keeper of the penitentiary complained about the treatment of the convicts by the lessees. An investigation in 1875 of the Texas system revealed a most horrible condition of affairs. From time to time in other states there were attacks on the systems and legislative investigations. The better conscience of the South demanded reform in the treatment of criminals for it was found that "the convict lease system had made the condition of the convict infinitely worse than

was possible under a system of slavery in which the slave belonged to his master for life." In recent years there has been much improvement in the condition of convicts in the South. Five states, Louisiana, Mississippi, Georgia, Oklahoma and Texas have abolished the lease, contract, and other hiring systems. All the other Southern states still sell convict labor to some extent, but in each of these strong movements are on foot to abolish the custom.

After the close of the war and as a part of the reconstruction of the South there had to be some readjustment of court procedure with reference to Negroes. Hitherto they had been dealt with as slaves or as free persons of color. After the adoption of the war amendments, they came before the courts as full citizens of the United States. From now on, much of the time, in many sections, the major part of the time of the criminal courts has been taken up with trying cases where Negroes were concerned.

Before emancipation the Negro had noted that wherever the law had been invoked with reference to a Negro that it was generally to punish or to restrain. Thus he came to view the law as something to be feared and evaded but not necessarily to be respected or to be sought as a means of protection. Under freedom the Negro's experience with the law was much the same as it had been in slavery. He found that the courts were still used as a means of punishment and restraint and that generally they were not the place to seek for protection. Another cause of the Negroes regarding the courts unfavorably was the stringent laws relating to labor contracts. These laws imposed severe penalties upon the laborer who violated his contract and often reduced him to peonage. The result is that at present the attitude of the Negroes toward the law is that many still associate laws with slavery and look upon courts as places where punishment is meted out rather than where justice is dispensed.

This brings us to the question whether the Negroes are fairly tried in the courts. Judge W. H. Thomas, of Montgomery, Ala., after an experience of ten years as a trial judge, in an address before the Southern Sociological Congress, at Nashville, in 1912, said:

My observation has been that courts try the Negro fairly. I have observed that juries have not hesitated to acquit the Negro when the evidence showed his innocence. Yet, honesty demands that I say that justice too often miscarries in the attempt to enforce the criminal law against the native

white man. It is not that the Negro fails to get justice before the courts in the trial of the specific indictment against him, but too often it is that the native white man escapes it. It must be poor consolation to the foreign-born, the Indian, the Negro and the ignorant generally to learn that the law has punished only the guilty of their class or race, and to see that the guilty of the class, fortunate by reason of wealth, learning or color, are not so punished for like crime. There must be a full realization of the fact that if punishments of the law are not imposed on all offenders alike, it will breed distrust of administration.

Hon. William H. Sanford, also of Montgomery, Ala., in an address before the same congress on "Fundamental Inequalities of Administration Of Laws," further illuminated this question. He pointed out that the real population of the South is made up of three distinctive communities:

First where the population is composed largely of Negroes, sometimes in the ratio of as many as ten to one. Second, where the population is largely white, usually at a ratio of about two to one. Third, where the population is almost entirely white.

In the first of these, in the administration of the criminal law, the Negro usually gets even and exacts justice, sometimes tempered with mercy. The average white man who serves on the juries in these counties, in his cooler moments and untouched by racial influences, is a believer in fair play, and for the most part is the descendant of the men who builded the foundation of our states. But in these communities, a white man rarely, if ever, gets a fair and an impartial trial, and, if indeed he is indicted by a grand jury, his conviction or acquittal is determined more upon his family connections, his business standing or his local political influence than upon the evidence in the case as applied to the law.

In the second of these communities the law is more nearly enforced as to both classes, and except in cases where the rights of the one are opposed to those of the other, convictions may be had, and indeed are often had, against the members of both races for offenses of the more serious nature.

In the third of these communities the white man usually gets a fair trial and is usually acquitted or convicted according to the evidence under the law, while the Negro, the member of an opposite race, has scant consideration before a jury composed entirely of white men, and is given the severest punishments for the most trivial offenses.

In conclusion what are some of the principal factors of Negro criminality in the South? The convict lease system has already been indicated as one of these factors. Another factor is the imposing of severe and sometimes unjust sentences for misdemeanors, petty offenses and for vagrancy. Still another factor is the lack of

facilities to properly care for Negro juvenile offenders. Ignorance is, by some, reckoned as one of the chief causes of Negro crime. The majority of the serious offenses, such as homicide and rape, are committed by the ignorant. It appears to be pretty generally agreed that one of the chief causes of Negro crime in the South is strong drink. Attention was called to this fact by the great falling off in crime in those sections of the South where the prohibition law was put into effect. The general testimony is that where prohibition has really prohibited the Negro from securing liquor, the crime rate has decreased; where, however, the prohibition law has not prevented the Negro from securing liquor, there has been no decrease in the crime rate, but, instead, the introduction of a cheaper grade of liquor peddled about in the city and in the country districts, appears to have tended to increase crime.

One of the most significant and hopeful signs for the satisfactory solution of the race problem in the South is the attitude that is being taken towards Negro crime. The Negroes themselves are trying to get at the sources of crime and are making efforts to bring about better conditions. In some sections they have law and order leagues working in coöperation with the officers of the law. The white people are also giving serious consideration to Negro crime. Its sources, causes and effects upon the social life of the South are being studied. Movements are on foot for bettering conditions. Under the leadership of the late ex-Governor W. J. Northern, of Georgia, Christian civic leagues, composed of colored and white persons, were organized in that and other states for the purpose of putting down mob violence. The Southern Sociological Congress is taking the lead for the abolition of the convict lease and contract systems and for the adoption, in the South, of modern principles of prison reform.



## THE MOVEMENT FOR THE BETTERMENT OF THE NEGRO IN PHILADELPHIA

BY JOHN T. EMLÉN.

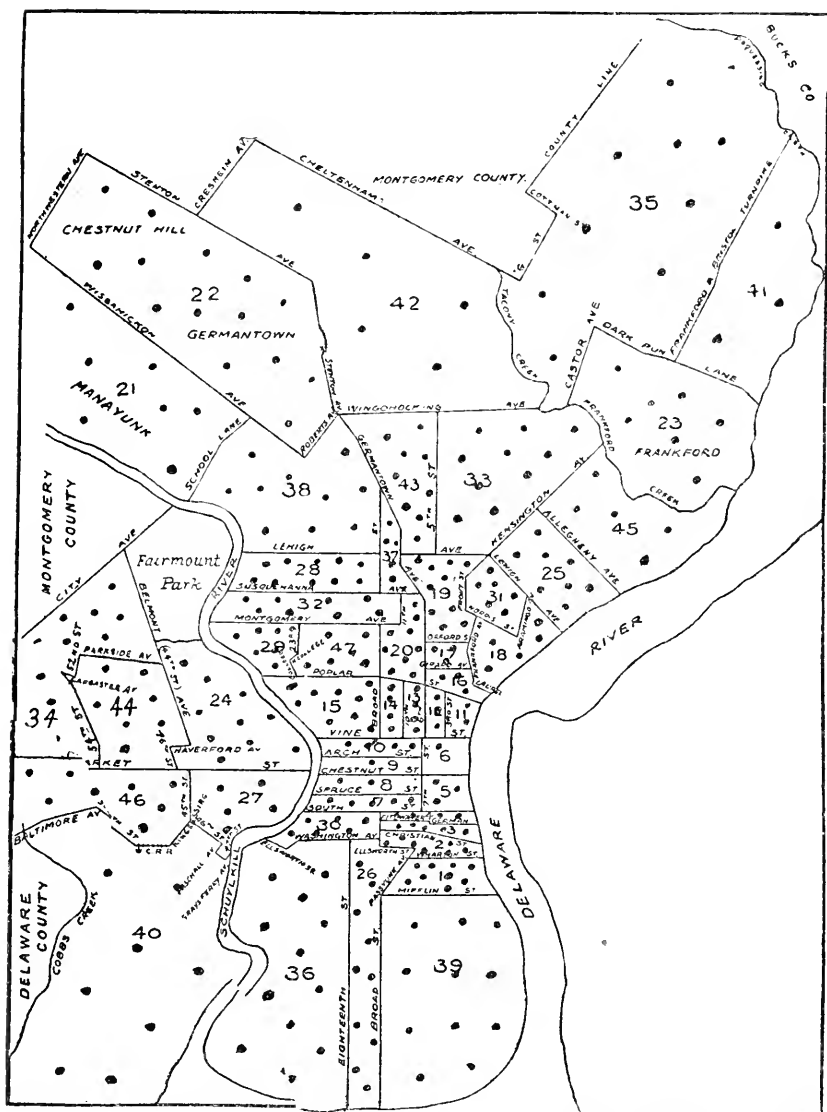
Secretary and Treasurer of the Armstrong Association of Philadelphia.

Philadelphia has a Negro population according to the 1910 census of 84,459. Four other cities in the United States have larger Negro populations: Washington, 94,446; New York, including Manhattan, Bronx, Queens, Richmond and Brooklyn, 91,709; New Orleans, 89,262; and Baltimore, 84,749. No other cities in the United States have Negro populations at all approaching these in numbers.

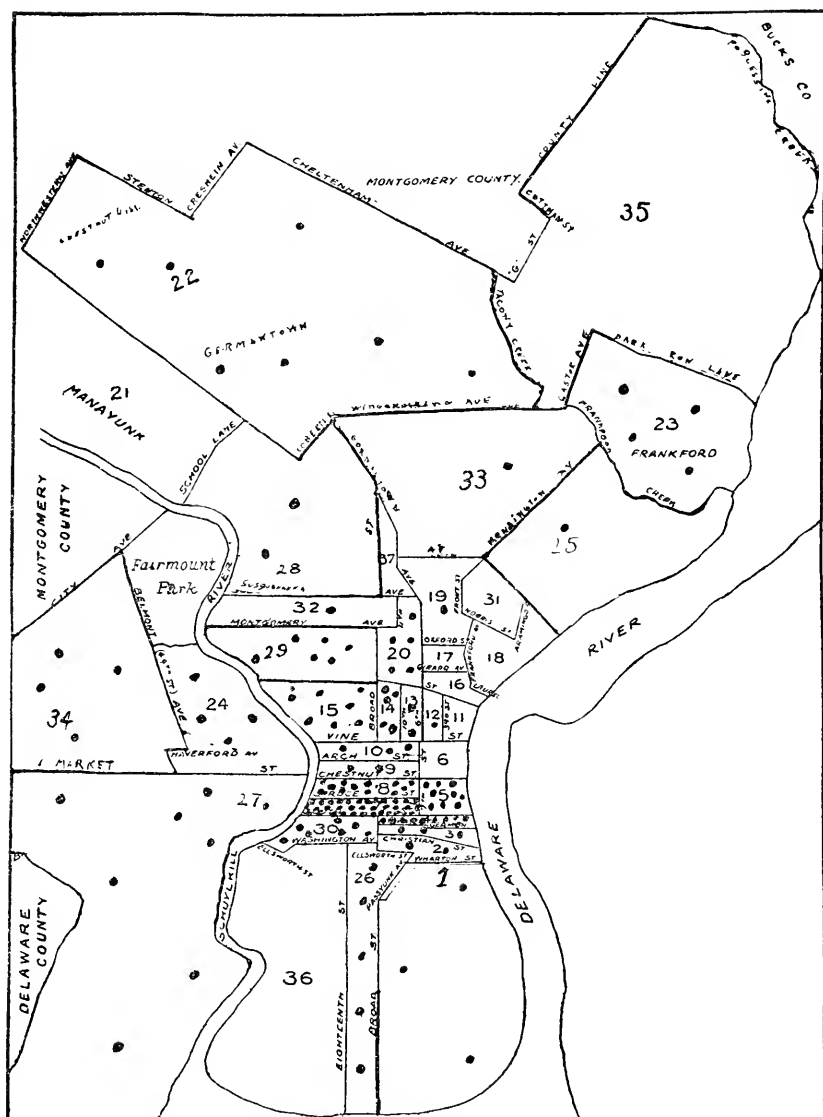
At the present rate of increase, New York will probably in the next ten years be the leading Negro city, and Philadelphia, second. This may be seen by the fact that in the past ten years New York increased about 31,000; Philadelphia, about 22,000; Washington, about 12,000; New Orleans, about 11,500; and Baltimore, about 5,500.

The accompanying maps indicating the distribution of the total population and of the Negro population by wards show how the Negroes are spread over the city. Map A on page 82 shows by wards the distribution of the total population in 1910, each dot indicating a population of 5,000 persons. The chief business section of the city centers about Market and Chestnut Streets, and between the Delaware and Schuylkill Rivers, so that this district shows less congestion of dwellings than those immediately surrounding it on both sides. In the surrounding districts or wards, the population is the thickest, but it is fairly evenly distributed, becoming, however, less concentrated in the outlying and suburban wards. Map B on page 83 shows the Negro population of Philadelphia, in 1890, each dot indicating 250 persons. Map C, on page 86 shows similarly the Negro population of 1910. In noting the map of 1890,<sup>1</sup>

<sup>1</sup> These maps give the population accurately by wards, but of course as they do not show the relative distribution of population in different parts of the ward, the results in a few wards are a trifle misleading. For example, in the 26th and 36th wards, the greater part of the Negro population is toward the northern ends.



MAP A.—Distribution by Wards of Population of Philadelphia, Both White and Negro, 1910  
One dot to every 5,000 population



MAP B.—DISTRIBUTION BY WARDS OF NEGRO POPULATION OF PHILADELPHIA,  
1890

One dot to every 250 Negroes. No Tabulation for Wards 35, 36, and 37

one sees the largest concentration of the Negro population in the 7th ward, and the next largest in the 4th, 5th, 8th and 30th, which are adjoining.

In 1910, the Negro population has, to some extent, shifted and spread. In the central 5th and 8th wards, it is very much smaller than in 1890, and, while the 7th is larger by about 2,700, it has not increased in proportion to the increase in some other parts of the city. The 30th ward, to the southwest of the 7th, has increased over five-fold, and further to the south, in the 26th and 36th wards, and to the west in various parts of West Philadelphia, and to the north in the 14th, 15th, 20th, 47th and 32d, and in Germantown, the increase has been very great. The Negro population, therefore, has a very large concentrated nucleus, but has increasingly spread in large numbers over two-thirds of the city.

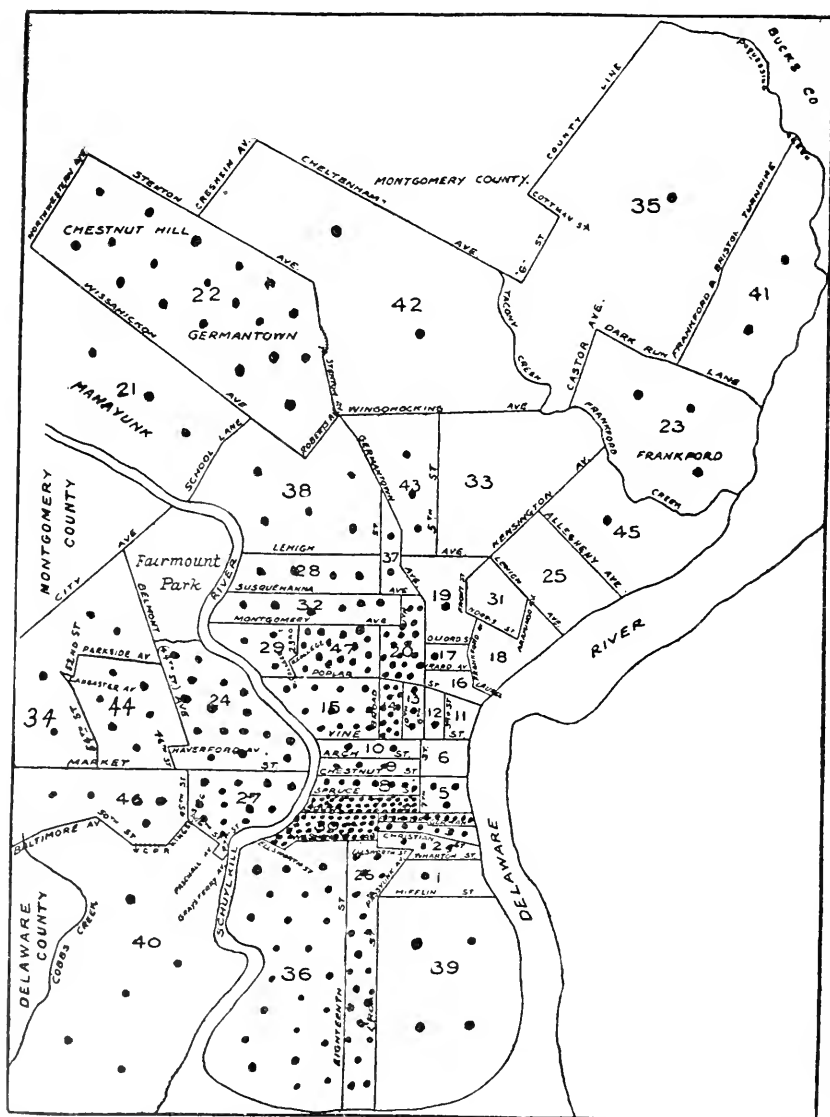
In studying the bettering of conditions among such a population, one must inquire about the greatest needs and the practical opportunities for meeting them. There should be sufficient opportunities for religious and educational instruction, for recreation, for the amelioration and improvement of social and of economic conditions, and for the improvement of conditions of health and of housing.

Scattered through the wards to meet the religious needs of this population are about 105 churches of about 12 different denominations, mostly Baptist, or of some form of Methodist Episcopal. These churches are, apart from their function as centers of religious inspiration, centers for social entertainment and intercourse to a much larger extent than are the churches of the white people, yet very few of them are able at the present time to meet the needs of the population in some of the educational and recreational ways in which social centers should meet them. Accordingly, social centers in various sections have grown up. These with playgrounds in the city are indicated in Map D on page 87.

Two playgrounds are available for the thickly populated center of the 7th and 30th wards—one on the extreme lower edge of the colored population and one which is well located for the 30th, and the upper part of the 7th. Unfortunately, the latter will probably soon be abolished and the ground used for other purposes, and if no other ground is secured, this will be a serious loss to the community. A ground is also especially needed in the neighborhood of the 40th and 27th wards.

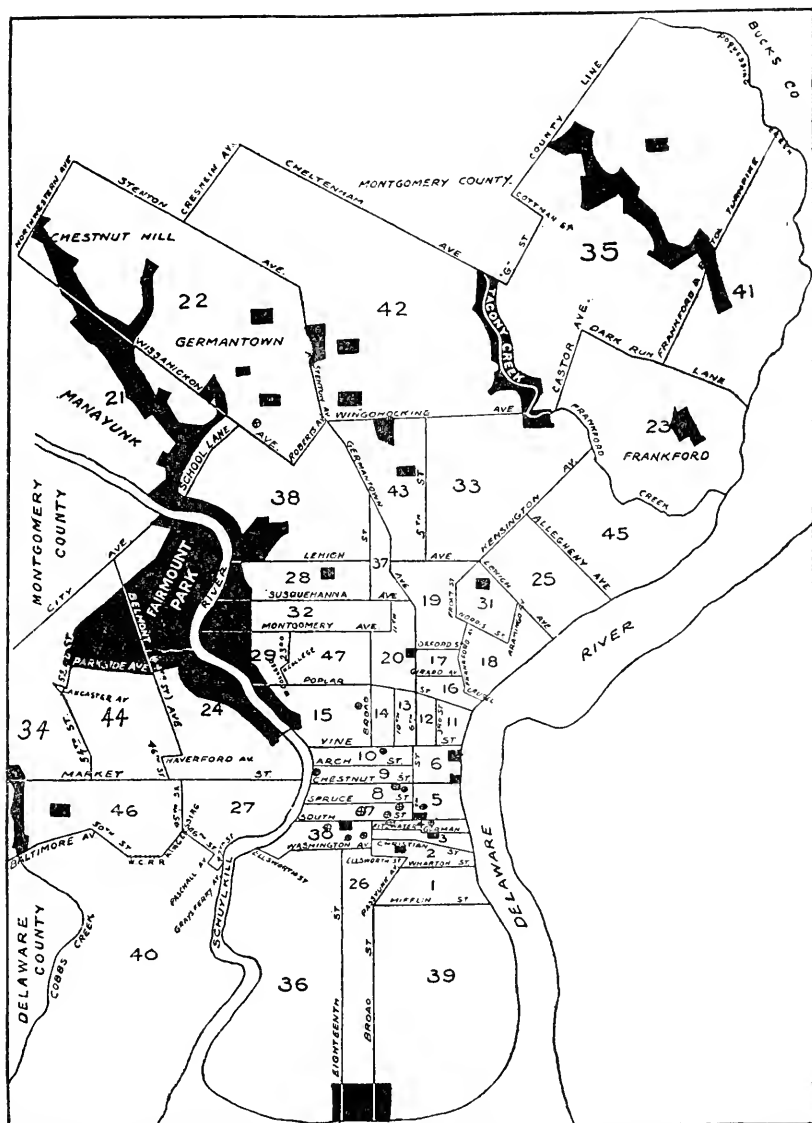
A number of the social centers are at the present time doing very good work, but as a group they are in number and equipment very inadequate to meet the present needs. The things that are needed throughout the city to make the proper recreational facilities are playgrounds and the increased use of the school yards and buildings. On account of the great financial difficulties in securing sufficient money for social centers, adequate provisions can usually be made only at the schools. It will, however, be of no special value to have these unless, when they are opened, they can have the proper supervision. The use of such facilities with good sympathetic supervision is one of the greatest needs of the colored people at the present time. The Thomas Durham school building, in the 7th ward, is becoming an increasingly valuable social center of the kind needed. There are now, as may be seen on the map, a number of centers in the central section, noteworthy among which will be the Y. M. C. A., with its new \$100,000 building, and the Y. W. C. A., with its new plant.

Some of the institutions and agencies for relief and for social betterment are for both white and colored and some for colored only. In some organizations purporting to work "without distinction of color" it is very difficult to get attention for a colored case. On the whole, however, in most lines a fair proportion of colored cases receive attention. Some of the activities and opportunities of such institutions and agencies may be briefly summarized. The day nurseries receiving colored children are fairly adequate for the different sections where there are large colored populations, except in the neighborhood of the 47th and 20th wards, where one is much needed. Four of them are in or near the central section where there is the largest population, one in West Philadelphia, and one in Germantown. Most of the hospitals receive colored cases in large numbers, and in two hospitals courses are given for the training of colored nurses. Lying-in charities afford shelter and protection. One agency meets colored immigrants from the South at the wharves, and affords them needed protection. Dependent children are provided for through a number of institutions in many of which there is coöperation, the cases being distributed through the children's bureau. Many of these institutions have a long history and between them furnish quite as good facilities as are afforded to white children.



MAP C.—Distribution by Wards of Negro Population of Philadelphia,  
1910

One dot to every 250 Negroes



MAP D—PLAYGROUNDS, INCLUDING PARKS USED AS PLAYGROUNDS AND SOCIAL CENTERS, AVAILABLE TO NEGROES, 1913

⊕ Indicates a Social Center

The report of the committee on municipal charities<sup>2</sup> says that ten institutions care for both white and colored, with a capacity of 2,567, and ten for colored children only, with a capacity of 567. It is sometimes necessary to send more children to these institutions than would normally be sent, because of the extreme difficulty in finding proper kinds of homes in the country near Philadelphia in which to place them. In spite of thorough and continual investigation by the Children's Aid Society, the number of such homes seems to be very small in proportion to the need. Provisions additional to those made by the municipality for the aged and infirm are furnished by one institution, with accommodations for 140, and by one small home. The state reformatories are for both white and colored. In addition to the facilities by the municipality, two private institutions for the blind, two for the deaf, and two for the feeble-minded and epileptic admit Negroes. The number of Negroes about one year ago in these institutions, according to investigation, were, respectively, 10, 21 and 31. General agencies for charity organization, children's aid, protection of children from cruelty, etc., and other agencies of outdoor relief, should be and are run under general organizations for both races.

Negroes have much more difficulty in securing good houses in good neighborhoods than members of the other races have. Various building and loan associations have helped them much to overcome this handicap. Under the Housing Commission of Philadelphia, several committees of colored people have, from time to time, been organized to care for the needs of their own communities, but very little interest has been shown by the committees and not much has been done. Through such committees the colored people could, with entire protection to themselves, rid many communities of filth, bad drainage, and overcrowding, and could much improve health conditions. Most of the agencies for the improvement of health—namely, hospitals with their social service departments, dispensaries, anti-tuberculosis society, etc.—give their interest and attention to colored and white.

Economic opportunities for the majority of Negroes are limited. They can work in but few trades, though one may find in census reports that there are Negroes in almost all kinds of work that do

<sup>2</sup>Report of Sub-Committee on "Dependent Children" in the *Report of the Committee on Municipal Charities*, 1913.



not require large capital. The figures in such reports do not always reveal real conditions. If one hundred carpenters, for example, are recorded, so many of these are unskilled that the figures do not represent real conditions, and seem to show a larger number of workmen in this occupation than actually exists. The women are restricted chiefly to domestic service, and though this restriction is unfortunate and resented by them, they do quite as well economically as white girls of similar efficiency and training. To men, however, the restrictions are more serious. Unskilled Negro men through faults partly their own, and partly those of the other race, are limited in the kinds of work open to them, and the Negro boys are restricted in the kinds to which through skill and training they may rise.

Vocational training, and training in the qualities of character necessary to success, are needed. Ample facilities for academic training but not for vocational are available. Courses at the University of Pennsylvania are open to those desiring to enter. Good courses may be obtained by a limited number in private institutions in dressmaking, sewing and cooking. Several private schools give trade courses, and at the Philadelphia Trade School several courses are open, but in training in trade and business courses and in the lines of work in which the majority enter, there are not, and can not be, sufficient facilities except through the public school system. Public schools are the means through which, not only the educational, but, to a large extent, the economic needs must be met.

The historical development of the agencies and institutions, some of them dating from long before the time of emancipation, may be sketched briefly. As early as 1770, a school house was built by members of the Society of Friends for the education of the colored people, and a number of such educational institutions were established, from time to time, but gradually the public school system has come to fill the function for which these pioneers planned. Two institutions for dependent colored children, started in 1822 and 1855, are still existent and perform an important work for dependent children. In more recent times other institutions for dependent children have been established. In 1864, a home for aged and infirm colored persons was founded. A trade school started in 1837 was, in 1902, made a normal school for academic and industrial training of Negro teachers. The majority of these institutions founded fifty

years ago, or more, are supported by endowment, and the control of the management is, to a large extent, in the hands of members of the white race. Many of them are very well conducted and are an invaluable help in meeting the present needs. Most of the organizations treating chiefly colored cases, however, have started within the past twenty years. They include hospitals, schools, homes, social centers, etc. In some of these, the institutions in both their work and oversight are carried on largely by colored people. Some are supported by voluntary contributions, but some receive a considerable amount of their support from state appropriations.

In any large city there should be an organization to work in a general practical way for the interest of the colored people, supplementing at any time the community needs which are not being met by the other institutions. This the Armstrong Association of Philadelphia has for five years increasingly endeavored to do in Philadelphia.

Several general activities for such an organization are obvious: (1) A bureau of record of various institutions both within and outside of the city, to help the various agencies in the treatment of individual cases. (2) An occasional investigation in a field in which improvement seems possible. (3) Education of the white members of the community to make them feel a sympathy with and responsibility to the other race. (4) Education of the colored members of the community to make them feel a practical interest in the progress of their people. (5) Practical work in fields needing temporarily special attention.

A large amount of data relative to a bureau of record has been obtained and a bureau partially completed. Three careful investigations have been made and printed. Literature is sent annually to over 10,000 white persons in Philadelphia. Much of this is merely in circular form but it gains the attention of many who otherwise would not hear of the Negro problem from a sympathetic point of view. In this, of course, work somewhat similar is done by others. Lectures have been held in schools and churches. Recently the meetings at which these lectures have been held have been well attended. At each of the recent meetings an expert has given an address on a special phase of social work.

In addition to the above, the Armstrong Association has given a great deal of attention and effort to two subjects of especial impor-

tance at the present time: First, the economic situation, which a worker of the charity organization reports is the greatest handicap of the colored people; second, the public schools as an agency for help.

To aid in solving the difficulty of the economic situation, the Armstrong Association established an office with a department for employment which has grown steadily. The chief purpose of the employment work is: (1) To help skilled Negroes to get work, and (2) to help Negroes into new kinds of work. During the past year it has helped in securing five hundred jobs and placements for colored men and women. These placements were made through the office at which opportunities were looked up, references secured, and often investigations made of how the work was done. This five hundred does not, however, represent the actual number assisted, because a number of men who were helped to get work several years ago, have since then dealt directly with their customers without the necessity of using the Armstrong Association as an intermediary, and have consequently each year obtained positions which are not credited to us. Our purpose among mechanics has been to increase the number of workers and to help those who are already working. Three associations among the mechanics were formed, covering different branches, and two others have affiliated with us, namely—the stationary engineers and the portable engineers. Among the stationary engineers there has been considerable appreciation of the importance of continued organization, but among the others the advantages of mutual coöperation do not seem to be yet appreciated. Mechanics have been helped by us in the drawing of contracts and specifications and, sometimes, in their accounts, with the result that one man increased his work from a very small amount to about \$7,000, in one year, and in the next year to about \$25,000. The progress of the men has been handicapped through their lack of capital and through their inability to secure loans at reasonable rates of interest. But such loans would be of little value without training on their part in being able to handle the financial side of large operations. A remedial loan association would, however, be of great value to them. The association was instrumental in helping more than a hundred shirt waist workers to secure places in shirt waist factories. Different individuals among these changed so frequently from year to year that any organization among them to

increase their numbers and efficiency proved to be impossible. Over a hundred track workers for the Pennsylvania Railroad were found places, and thus introduced into a kind of work which was new to them in the neighborhood of Philadelphia.

The association is planning to continue to increase the industrial possibilities among the men by further study of openings, and by following up individual cases to see in each case whether the difficulty is prejudice, improper supervision, or inefficiency, and whether this difficulty can be remedied.

To help the public schools experimentally, the Armstrong Association employs a trained worker in two important school centers, under the direction of the principals. The worker gives her whole time to the two schools where the largest number of colored children attend. Through her there has been established a point of contact between the home and the school, and by visits in the homes and studies of the needs and possibilities of each individual child, by meetings of parents, by treatment of special cases, and by vocational guidance the parent and the child both become more interested in the school and the child is helped. A social center is promised in one of these schools which already has an evening school, and in the other it is hoped that an evening school will soon be established. In both it seems as if progress is being made and new possibilities shown. In the actual handling of the work, Negro social workers are usually the best, and they will be of increasing importance. Nothing can be more important at the present time than the thorough training and guidance of such workers, who with proper oversight, increasing from time to time, will make their work more efficient. Through such workers there should be an improvement in general in the conditions among the colored people.

The work just outlined of an organization for the systematic study and betterment of conditions of Negroes living in cities, is comparatively new, starting five years ago, but we are convinced that it has done good and that such work has possibilities for good. Similar work is being undertaken in New York and several other cities, and will be increasingly recognized as an important part of the program of social work of an American city.

## PROBLEMS OF CITIZENSHIP

BY RAY STANNARD BAKER,

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What place does the Negro occupy as a citizen in the American democracy, and what place should he occupy?

Up to the present time, although the status of the Negro has presented the most serious single group of problems that the nation has ever had to meet, his influence as a participant in the rights and responsibilities of government has been almost negligible. He has been an issue but not an actor in politics.

In the antebellum slavery agitation Negroes played no consequential part; they were an inert lump of humanity possessing no power of inner direction; the leaders on both sides of the struggle that centered around the institution of slavery were white men. The Negroes did not even follow poor old John Brown. After the war the Negro continued to be an issue rather than a partaker in politics, and the conflict continued to be between groups of white men. First, the solid South was arrayed against the Northern reconstructionists, and afterwards the old aristocratic party in the South engaged in a long struggle with a rising democratic party which included the poor white element, up to that time politically unimportant. Even in reconstruction times, and I am not forgetting exceptional Negroes like Bruce, Revels, Pinchback and others, the Negro was a partaker in government solely by virtue of the power of the North. As a class the Negroes were not self-directed, but were used by the Northern reconstructionists and certain political Southerners, who took most of the offices and nearly all the pilferings.

And this is not in the least surprising. Emerging from a condition of slavery the Negro had no power of independent action and practically no leaders who knew anything. He was still a slave in everything except name; and yet he was asked to become at once a governing citizen. Even an amendment to the federal constitution could not over night make freemen of slaves; for citizenship is bestowed in vain upon those who have not, in some measure, earned it.

Half a century, however, has wrought profound changes. Beginning in the crude freedmen's schools, and inspired later by the leadership of able men, both white and colored, the Negro has made surprising advances in fifty years. He has developed a real self-consciousness, he has his own body of opinion expressed in his own newspapers, and his leadership is clearly defined and vigorous. There can be no manner of doubt of the remarkable progress of this race of slaves in half a century; and there is reason to believe that the progress will continue. Thousands of Negroes today have earned citizenship.

"I believe I am safe in saying," writes Booker T. Washington, the greatest of Negro leaders, "that nowhere are there 10,000,000 black people who have greater opportunities or are making better progress than the Negroes in America."

In making these assertions, however, I do not wish to imply that no difficult problems remain to be solved. The Negro not only continues to be a hair-trigger issue in at least ten states of the Union, but the very fact that so many are now prepared for citizenship and are pressing forward to use with intelligence the rights conferred upon them by the fifteenth amendment, gives rise to new and very serious problems. The status of the Negro in the democracy still remains unsettled. Thousands of Americans believe earnestly that no Negro, no matter how intelligent, should be allowed to share in the government, and these not only wish to throw down the legal barrier imposed by the fifteenth amendment, but do their best by state legislation, or by artifice at the primaries or at elections, to nullify the legal rights of the Negro. Other thousands of Americans believe that all Negroes, like all white men, should have the full rights of citizenship. And between these two extremes exists every shade of opinion. As for the Negroes themselves, all of them, no matter what diversities of opinion there may be among them as to methods of progress, are pressing steadily forward to become real participants in government; and in Northern cities they have already become an element decidedly to be reckoned with. In certain Northern States like Ohio and Indiana the Negro vote is increasingly important.

In order to answer with intelligence the question proposed at the head of this article it will be well to consider, at the start, some of the fundamental aspects of citizenship, as symbolized by the right to vote.

It will be admitted without argument, I think, that all governments do and of necessity must exercise the right to limit the number of people who are permitted to take part in the weighty responsibilities of the suffrage. Some governments allow only a few men to vote; in an absolute monarchy there is only one voter; other governments as they become more democratic, permit a larger proportion of the people to vote.

Our own government is one of the freest in the world in the matter of suffrage; and yet we bar out, in most states, all women; we bar out Mongolians, no matter how intelligent; we bar out Indians and all foreigners who have not passed through a certain probationary stage and have not acquired a certain small amount of education. We also declare—for an arbitrary limit must be placed somewhere—that no person under twenty-one years may exercise the right to vote, although some boys of eighteen are today as well equipped to pass intelligently upon public questions as many grown men. We even place adult white men on probation until they have resided for a certain length of time, often as much as two years, in the state or town where they wish to cast their ballots. Our registration and ballot laws eliminate hundreds of thousands of voters, and finally we bar out everywhere the defective and criminal classes of our population. We do not realize, sometimes, I think, how limited the franchise really is, even in America. We forget that out of over 90,000,000 people in the United States only 15,000,000 cast their votes for President in 1912—or about one in every six.

Thus the practice of a restricted suffrage is very deeply implanted in our system of government. It is everywhere recognized that even in a democracy lines must be drawn, and that the ballot, the precious instrument of the government, must be hedged about with stringent regulations. The question is, where shall these lines be drawn in order that the best interests, not of any particular class, but of the whole nation shall be served.

Upon this question we, as free citizens, have the absolute right to agree or disagree with the present laws concerning suffrage; and if we want more people brought in as partakers of the government, or some people who are already in, barred out, we have a right to organize, to agitate, to do our best to change the laws. Powerful organizations of women are now agitating for the right to vote; there is an organization which demands the suffrage for Chinese and

Japanese who wish to become citizens. It is even conceivable that a society might be founded to lower the age-limit from twenty-one to nineteen years, thereby endowing a large number of young men with the privileges, and therefore the educational responsibilities, of political power. On the other hand, many people, chiefly in our Southern States, earnestly believe that the right of the Negro to vote should be curtailed, or even abolished.

Thus we disagree, and government is the resultant of all these diverse views and forces. No one can say dogmatically how far democracy should go in distributing the enormously important powers of active government. Democracy is not a dogma; it is not even a dogma of free suffrage. Democracy is a life, a spirit, a growth. The primal necessity of any sort of government, democratic or otherwise, whether it be more unjust or less unjust toward special groups of its citizens, is to exist, to be a going concern, to maintain upon the whole a stable administration of affairs. If a democracy cannot provide such stability, then the people go back to some form of oligarchy. Having secured a fair measure of stability, a democracy proceeds with caution toward the extension of the suffrage to more and more people—trying foreigners, trying women, trying Negroes.

And no one can prophesy how far a democracy will ultimately go in the matter of suffrage. We know only the tendency. We know that in the beginning, even in America, the right to vote was a very limited matter. In the early years in New England, only church members voted; then the franchise was extended to include property-owners, then it was enlarged to include all white male adults (with certain restrictions), then to include Negroes, then in several Western States, to include women.

Thus the line has been constantly advancing, but with many fluctuations, eddies, and back-currents, like any other stream of progress. At the same time the fundamental principles which underlie popular government, and especially the whole matter of popular suffrage, are much in the public mind. The tendency of government throughout the entire civilized world is strongly in the direction of placing more and more power in the hands of a larger proportion of the people.

In our own country we are enacting a remarkable group of laws providing for direct primaries in the nominations of public



officials, for direct election of United States senators and for direct legislation by means of the initiative and referendum, and we are even going to the point in many cities and states of permitting the people to recall an elected official who is unsatisfactory. The principle of local option, which is nothing but that of direct government by the people, is being widely accepted. All these changes affect, fundamentally, the historic structure of our government, making it less representative and more democratic.

Still more important and far-reaching in its significance is the tendency of our government, especially our cities and our federal government, to regulate or to appropriate business enterprises formerly left wholly in private hands. More and more private business is becoming public business.

Now, then, as the weight of responsibility upon the popular vote is increased, it becomes more and more important that the ballot should be jealously guarded and honestly exercised. In the last few years, therefore, a series of extraordinary new precautions have been adopted: the Australian ballot, more stringent registration systems, the stricter enforcement of naturalization laws to prevent the voting of crowds of unprepared foreigners, and the imposition by several states, rightly or wrongly, of educational or property tests. It becomes a more and more serious matter every year to be an American citizen, more of an honor, more of a duty.

At the close of the Civil War, in a time of intense idealistic emotion, some three-quarters of a million of Negroes, the mass of them densely ignorant and just out of slavery, with the iron of slavery still in their souls, were suddenly given the political rights of free citizens. A great many people, and not in the South alone, thought then, and still think, that it was a mistake to bestow the high powers and privileges of a wholly unrestricted ballot—a ballot which is the symbol of intelligent self-government—upon the Negro. Other people, of whom I am one, believe that it was an unescapable concomitant of the revolution; it was itself a revolution, not a growth, and like every other revolution it had its fearful reaction. Revolutions, indeed, change names but they do not at once change human relationships. Mankind is reconstructed not by proclamations, or legislation, or military occupation, but by time, growth, religion, thought. At that time, then, the nation drove down the stakes of its idealism in government far beyond the point which it was able

to reach in the humdrum activities of everyday existence. A reaction was inevitable; it was inevitable and perfectly natural that there should be a widespread questioning as to whether all Negroes, or indeed any Negroes, should properly be admitted to full political fellowship. That questioning continues to this day.

Now, the essential principle established by this fifteenth amendment to the Constitution was not that all Negroes should necessarily be given an unrestricted ballot; but that the right to vote should not be denied or abridged "on account of race, color, or previous condition of servitude." This amendment wiped out the color line in politics so far as any written law could possibly do it.

Let me here express my profound conviction that the principle of political equality then laid down is a sound, valid, and absolutely essential principle of any free government; that the restriction upon the ballot, when necessary, should be made to apply equally to white and colored citizens, and that the fifteenth amendment ought not to be repealed. Moreover, I am convinced that the principle of political equality is more firmly established today than it was forty years ago, when it had only Northern bayonets behind it. For now, however short the practice falls of reaching the legal standard, the principle is woven into the warp and woof of Southern life and Southern legislation. Not a few Southern white leaders of thought are today convinced, not forced believers in the principle, and that is a great omen.

Limitations have come about, it is true, and were to be expected as the back-currents of the revolution. Laws providing for educational or property qualifications as a prerequisite to the exercise of suffrage have been passed in all the Southern States, and have operated to exclude from the ballot large numbers of both white and colored citizens, who, on account of ignorance or poverty, are unable to meet the tests. These provisions, whatever the opinion entertained as to the wisdom of such laws, are well within the principle laid down by the fifteenth amendment. But several Southern States have gone a step farther, and have passed the so-called "grandfather laws," the effect of which is to exempt certain ignorant white men from the necessity of meeting the educational and property tests. Some of these unfair "grandfather laws" have now expired by limitation in the states adopting them and some are in process of being tested in the courts.

Let me, then, lay down this general proposition:

Nowhere in the South today is the Negro cut off legally, as a Negro, from the ballot. Legally, today, any Negro who can meet the comparatively slight requirements as to education, or property, or both, can cast his ballot on a basis of equality with the white man. I have emphasized the word legally, for I know the practical difficulties which confront the Negro voter in many parts of the South. In the enforcement of the law, the legislative ideal is still pegged out far beyond the actual performance.

Now, then, if we are interested in the problem of democracy, we have two courses open to us. We may think the laws are unjust to the Negro, and incidentally to the poor white man as well. If we do we have a perfect right to agitate for a change, and we can do much to disclose, without heat, the actual facts regarding the complicated and vexatious legislative situation in the South, as regards the suffrage. Every change in the legislation upon this subject should, indeed, be jealously watched that the principle of political equality between the races be not legally curtailed. The doctrine laid down in the fifteenth amendment must, at any hazard, be maintained.

But personally, and I am here voicing a profound conviction, I think our emphasis at present should be laid upon the practical rather than upon the legal aspect of the problem. I think we should take advantage of the widely prevalent feeling in the South that the question of suffrage has been settled, legally, for some time to come; of the desire on the part of many Southern people, both white and colored, to turn aside from the discussion of the political status of the Negro. In short, let us for the time being accept the laws as they are, and build upward from that point. Let us turn our attention to the practical task of finding out why it is that the laws we already have are not enforced, and how best to secure an honest vote for every Negro and equally for every "poor white" man, (and there are thousands of him) who is able to meet the requirements, but who for one reason or another does not or cannot exercise his rights.

Taking up this side of the question we shall discover two entirely distinct difficulties:

First, we shall find many Negroes, and indeed hundreds of thousands of white men as well, who might vote, but who through

ignorance, or the inability or unwillingness to pay poll taxes, or from mere lack of interest, disfranchise themselves.

The second difficulty is peculiar to the Negro. It consists in open or concealed intimidation on the part of the white men who control the election machinery. In many places in the South today no Negro, no matter how well qualified, would dare to present himself for registration. When he does he is often rejected for some trivial or illegal reason.

Thus we have to meet a vast amount of apathy and ignorance and poverty on the one hand, and the threat of intimidation on the other.

First of all, for it is the chief injustice as between white and colored men that we have to deal—an injustice which the law already makes punishable—how shall we meet the matter of intimidation? As I have said already the door of the suffrage is everywhere legally open to the Negro, but a certain sort of Southerner bars the passageway. He stands there and, law or no law, keeps out many Negroes who might vote, and he represents in most parts of the South the prevailing public opinion.

Shall we meet this situation by force? What force is available? Shall the North go down and fight the South? But the North today has no feeling but friendship for the South. More than that, and I say it with all seriousness, because it represents what I have heard wherever I have gone in the North to make inquiries regarding the Negro problem, the North, wrongly or rightly, is today more than half convinced that the South is right in imposing some measure of limitation upon the franchise. There is now, in short, no disposition anywhere in the North to interfere in the internal affairs of the South—not even with the force of public opinion.

What other force, then, is to be invoked? Shall the Negro revolt? Shall he migrate? The very asking of these questions suggests the inevitable reply.

We might as well, here and now, dismiss the idea of force, express or implied. There are times of last resort which call for force (and the time may come in the future when force will again have to be applied to cure injustice); but this plainly is not such a time.

What other alternatives are there?

Accepting the laws as they are, then, there are two methods of procedure, neither sensational, nor exciting.

The underlying causes of the trouble in the country being plainly ignorance and prejudice, we must meet ignorance and prejudice with their antidotes: education and association.

Every effort should be made to extend free education both among Negroes and white people. A great extension of education is now going forward in the South. The Negro is not by any means getting his full share (indeed he is getting shamefully less than his share), but as certainly as sunshine makes things grow, education in the South will produce tolerance. That there is already such a growing tolerance no one who has talked with the leading white men of the South can doubt. The old fire-eating, Negro-baiting leaders of the Tillman-Vardaman type are passing away: a far better and broader group is coming into power.

In his last book Mr. Edgar Gardner Murphy, of Alabama, expresses this new point of view when he says:

There is no question here as to the unrestricted admission (to the ballot) of the great masses of our ignorant and semi-ignorant blacks. I know no advocate of such an admission. But the question is as to whether the individuals of the race, upon conditions of restriction legally imposed and fairly administered, shall be admitted to an adequate and increasing representation in the electorate. And as that question is more seriously and more generally considered many of the leading publicists of the South, I am glad to say, are quietly resolved that the answer shall be in the affirmative.

From an able Southern white man, a resident of New Orleans, I received only recently a letter containing these words:

"I believe we have reached the bottom, and a sort of quiescent period. I think it most likely that from now on there will be a gradual increase in the Negro vote. And I honestly believe that the less said about it, the surer the increase will be."

Education, and by education I mean education of all sorts, industrial, professional, classical, in accordance with each man's talents will not only produce breadth and tolerance, but it will help to cure the apathy which now keeps so many thousands of both white men and Negroes from the polls: for it will show them that it is necessary for every man to exercise all the political rights within his reach. For if he fails voluntarily to take advantage of the rights he already has, how shall he acquire more rights?

As ignorance must be met by education, so prejudice must be met with its antidote, which is association. Democracy does not

consist in mere voting, but in association, the spirit of common effort, of which the ballot is a visible expression. When we come to know one another we soon find that the points of likeness are much more numerous than the points of difference. And this human association for the common good, which is democracy, is difficult to bring about anywhere, whether among different classes of white people, or between white people and Negroes.

After the Atlanta riot I attended a number of conferences between leading white men and leading colored men. It is true these meetings bore evidence of awkwardness and embarrassment, for they were among the first of that sort to take place in the South, but they were none the less valuable. A white man told me after one of these meetings: "I did not know there were any such sensible Negroes in the South." And a Negro told me that it was the first time in his life that he had ever heard a Southern white man reason in a friendly manner with a Negro concerning their common difficulties.

More and more these associations of white and colored men, at certain points of contact, must and will come about. Already, in connection with various educational and business projects in the South, white men and colored men meet on common grounds, and the way has been opened to a wider mutual understanding. And it is common enough now, where it was unheard of a few years ago, for both white men and Negroes to speak from the same platform in the South. I have attended a number of such meetings. Thus slowly, awkwardly at first—for two centuries of prejudice are not easily overcome—the white man and Negro are coming to know each other, not as master and servant, but as co-workers. These things cannot be forced.

One reason why the white man and the Negro have not got together more rapidly in the South than they have, is because they have tried always to meet at the sorest points. When sensible people, who must live together whether or no, find that there are points at which they cannot agree, it is the part of wisdom to avoid those points, and to meet upon other and common interests. Upon no other terms, indeed, can a democracy exist, for in no imaginable future state will individuals cease to disagree with one another upon something less than half of all the problems of life.

"Here we all live together in a great country," say the apostles

of this view, "let us all get together and develop it. Let the Negro do his best to educate himself, to own his own land, and to buy and sell with the white people in the fairest possible way."

Now, buying and selling, land ownership and common material pursuits may not be the highest points of contact between man and man, but they are real points, and they help to give men an idea of the worth of their fellows, white or black. How many times, in the South, I have heard a white man speak in high admiration for some Negro farmer who had been successful, or of some Negro blacksmith who was a worthy citizen, or some Negro doctor who was a leader of his race.

It is curious once a man (any man, white or black) learns to do his job well how he finds himself in a democratic relationship with other men. I remember asking a prominent white citizen of a town in central Georgia if he knew anything about Tuskegee. He said:

Yes; I had rather a curious experience last fall. I was building a hotel and couldn't get anyone to do the plastering as I wanted it done. One day I saw two Negro plasterers at work in a new house that a friend of mine was building. I watched them for an hour. They seemed to know their trade. I invited them to come over and see me. They came, took the contract for my work, hired a white man to carry mortar at a dollar a day, and when they got through it was the best job of plastering in town. I found that they had learned their trade at Tuskegee. They averaged four dollars a day each in wages. We tried to get them to locate in our town, but they went back to school.

Out of such crude points of contact will grow an ever finer and finer spirit of association and of common and friendly knowledge. And that will lead inevitably to an extension upon the soundest possible basis of Negro franchise. I know cases where white men have urged intelligent Negroes to cast their ballots, and have stood sponsor for them out of genuine respect. Today, Negroes who vote in the South are as a class, men of substance and intelligence, fully equal to the tasks of citizenship.

Thus I have confidence not only in the sense of the white man in the South but in the innate capability of the Negro—and that once these two really come to know each other, not at sore points of contact, nor as mere master and servant, but as workers for a common country, the question of suffrage will gradually solve itself in the interest of true democracy.

Another influence also will tend to change the status of the Negro as a voter. That is the pending break-up of the political solidarity of the South. All the signs point to a political re-alignment upon new issues in this country, both South and North. Old party names may even pass away. And that break-up, with the attendant struggle for votes, is certain to bring into politics thousands of Negroes and white men now disfranchised. The result of a real division on live issues has been shown in many local contests in the South, as in the fight against the saloons, when every qualified Negro voter, and every Negro who could qualify, was eagerly pushed forward by one side or the other. With such a division on new issues the Negro will tend to exercise more and more political power, dividing not on the color line, but on the principles at stake. Still another influence which is helping to solve the problem is the wider diffusion of Negroes throughout the country. The proportion of Negroes to the whites in most of the Southern States is decreasing, thereby relieving the fear of Negro domination, whereas Negroes are increasing largely in Northern communities, where they take their place in politics not as an indigestible mass, but divide along party lines even more readily than some of the foreign-American groups in our population. A study of the Negro vote in November, 1912, would show that many Negroes broke their historic allegiance with the Republican party and voted for Roosevelt, while some even cast their votes for Wilson; and in local elections the division is still more marked.

Thus in spite of the difficulties which now confront the Negro, I cannot help looking upon the situation with a spirit of optimism. I think sometimes we are tempted to set a higher value upon the ritual of a belief than upon the spirit which underlies it. The ballot is not democracy; it is merely the symbol or ritual of democracy, and it may be full of passionate social significance, or it may be a mere empty and dangerous formalism. What we should look to, then, primarily, is not the shadow, but the substance of democracy in this country. Nor must we look for results too swiftly; our progress toward democracy is slow of growth and needs to be cultivated with patience and watered with faith.



## CONDITIONS AMONG NEGROES IN THE CITIES

BY GEORGE EDMUND HAYNES, PH.D.,

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Fifty years after four millions of Negro slaves were made freedmen, there is still the responsibility upon the nation to make that seeming freedom really free. So many other national problems thrust themselves upon the attention of the people today that there is danger lest the nation grow forgetful of the tremendous portent of this special responsibility left it from the past. The present generation is doubtless just as loyal to the principles of liberty and just as faithful to the ideals of democracy as were the fathers of the republic, but the principles and ideals of the American people are meeting the challenge of latter day problems, and the people may become unmindful of unfinished tasks. Thus the condition of the Negro may receive less attention from the nation; his economic and social difficulties may be less generally known; his migrations and concentration in cities, North and South, are given less attention. The increasing segregated settlements and life of Negroes within the cities may excite less concern. The resulting intensified industrial, housing, health and other maladjustments and the Negro's heroic struggles to overcome these maladjustments are in these days likely to be little considered. These conditions demand thought.

### I. THE URBAN MOVEMENT

But social changes do not frequently keep time with social thought, for they are usually the result of unconscious social forces. Many of the changes among Negroes, especially the change from country to city, have been of such a character.

The past half century has seen an acceleration of the urban migration of the entire population. The Negro has been in that population stream. At times and in places his movement cityward has been affected by special influences, but where influences have been similar his movement has been similar.

The Emancipation Proclamation not only abolished the owner-

ship of the slave, but it also released him from the soil. With this breaking down of the economic system based upon slavery, many of the landless freedmen fell victims to the *wanderlust* which has usually affected the masses in times of sudden social upheaval. Thousands of Negroes flocked to the Union Army posts, located in towns and cities. The Ku-Klux terrorism and the mistaken notion of federal paternalistic care added their power to the other forces which operated, during and immediately after the war, to thrust the Negro into the towns. In fourteen Southern cities between 1860 and 1870 the white population increased 16.7 per cent, and the Negro 90.7 per cent; in eight Northern cities (counting all the boroughs of New York City as now constituted as one) the Negro population increased 51 per cent.

But with the removal of exceptional influences, the Negro immigration was reduced. Figures for white and Negro population in principal Southern cities are obtainable from 1870 to 1910, as follows:

1870 to 1880 the whites increased 20.3 per cent, Negroes 25.5 per cent
1880 to 1890 the whites increased 35.7 per cent, Negroes 38.7 per cent
1890 to 1900 the whites increased 20.8 per cent, Negroes 20.6 per cent
1900 to 1910 the whites increased 27.7 per cent, Negroes 20.6 per cent

Just how far the increase of whites and Negroes in Southern cities has been proportionately affected by the drift to Northern cities from Southern territory cannot be ascertained, as the numbers of Southern whites who migrate North are unknown. Surmises may be made from the per cent increase of Negroes in eight Northern cities, which was as follows:

1870 to 1880.....	36.4 per cent
1880 to 1890.....	32.3 per cent
1890 to 1900.....	59.2 per cent

The increase of the urban population, both white and Negro was greater than the rural increase between 1890 and 1900 (the best periods for which we have figures for good comparisons) for both the Continental United States and for the Southern States. In 242 Southern towns and cities which had at least 2500 inhabitants in 1890, the Negroes increased, 1890 to 1900, nearly one-third faster than Negroes in the rural districts. "In the country districts of the South the Negroes increased (1890 to 1900) about two-thirds as fast as the whites; in the cities they increased nearly seven-eighths

as fast." Figures for the white and Negro increase in both city and country districts follow:

PER CENT INCREASE, 1890 TO 1900

	CITIES		COUNTRY DISTRICTS	
	White	Negro	White	Negro
Continental United States.....	35.7	35.2	12.4	13.7
South Atlantic and South Central Divisions.....	36.7	31.8	22.9	14.6

The trend of all these figures shows that where the influences and conditions are similar the movements of the two races have been similar.

The causes, besides the breaking down of the slave regime, that have operated to draw the Negro to urban centers have been those fundamental economic, social and individual causes which have affected the general population. Chief among these has been the growth of industrial and commercial activities in urban centers. From 1880 to 1900 Southern cities (according to the showing of the census figures of manufactures, which are only approximately exact) have increased 143.3 per cent in total value of manufactured products, and 60.9 per cent in the average number of wage-earners, exclusive of proprietors, salaried officers and clerks, in manufacturing enterprises.

Railroad building, total tonnage and gross earnings show the development of commerce. In thirteen Southern states from 1860 to 1900, railway mileage increased 461.9 per cent. Total tonnage for most of this territory increased 90.5 per cent in the years from 1890 to 1900, while the total freight, passenger, express and mail earnings increased 48.4 per cent in the same decade.

All the facts available show that the Negro shares the influence of these developments. That he is a main factor in the labor of the South is evident. In a number of Southern cities the white and Negro increases in selected gainful occupations were as follows, between 1890 and 1900: in domestic and personal service, male whites increased 42.3 per cent, Negroes 31.1 per cent; in trade and transportation occupations, male whites increased 25.2 per cent, Negroes 39.1 per cent; in manufacturing and mechanical pursuits, male whites 16.3 per cent, Negroes 11.6 per cent.

The divorce of the Negro from the soil after emancipation, and the growth of the industrial and commercial centers are causes which are supplemented by the effect of higher wages paid weekly or monthly in the city on the economic motives of workers; by the trend of legislation, especially labor laws, which favor the city and which, in practical effect in some parts of the South, make harder the uninviting lot of the land tenant; by improved educational and amusement facilities, and by the contact with the moving crowds; while the paved and lighted streets, the greater comforts of the houses and other conveniences which the rustic imagines he can easily get and the dazzling glare of the unknown great world are viewed in decided contrast to the hard, humdrum conditions and poor accommodations on plantation and farm.

The available facts and figures bear out the conclusion that along with the white population the Negroes, under the influence of causes likely to operate for an indefinite period, will continue to migrate to the towns and cities, and that they will come in comparatively large numbers to stay.

Already the Negro urban population has grown to considerable proportions. In 1860 it is estimated that about 4.2 per cent of all the Negroes in the United States were urban dwellers (places of 4,000 or more). By 1890 it had risen to 19.8 per cent (places of 2,500 or more; the figures for 1890 and since are not, therefore, comparable with those for censuses preceding); in 1900 it was 22.7 per cent, and in 1910, 27.4 per cent, or more than one-fourth of the total Negro population. In 1910 thirty-nine cities had 10,000 or more Negroes, and the following twelve cities had more than 40,000 Negroes each:

Atlanta, Ga.....	51,902
Baltimore, Md.....	84,749
Birmingham, Ala.....	52,305
Chicago, Ill.....	44,103
Louisville, Ky.....	40,522
Memphis, Tenn.....	52,441
New Orleans, La.....	89,262
New York, N. Y.....	91,709
Philadelphia, Pa.....	84,459
Richmond, Va.....	46,733
St. Louis, Mo.....	43,960
Washington, D. C.....	94,446

Negroes constituted one-fourth or more of the total population of twenty-seven principal cities (25,000 or more total population), and in four of these cities—viz., Montgomery, Ala., Jacksonville Fla., Savannah, Ga. and Charleston, S. C.—the Negro population was something more than one-half.

## II. SEGREGATION WITHIN THE CITY

Migration to the city is being followed by segregation into districts and neighborhoods within the city. In Northern cities years ago Negro residents, for the most part, lived where their purses allowed. With the influx of thousands of immigrants from the South and the West Indies, both native Negro and newcomer have been lumped together into distinct neighborhoods. In Southern cities domestic servants usually still live upon the premises of their employers or near by. But the growing Negro business and professional classes and those engaged in other than domestic and personal service find separate sections in which to dwell. Thus the Negro ghetto is growing up. New York has its "San Juan Hill" in the West Sixties, and its Harlem district of over 35,000 within about eighteen city blocks; Philadelphia has its Seventh Ward; Chicago has its State Street; Washington its North West neighborhood, and Baltimore its Druid Hill Avenue. Louisville has its Chestnut Street and its "Smoketown;" Atlanta its West End and Auburn Avenue. These are examples taken at random which are typical of cities, large and small, North and South.

This segregation within the city is caused by strong forces at work both within and without the body of the Negroes themselves. Naturally, Negroes desire to be together. The consciousness of kind in racial, family and friendly ties binds them closer to one another than to their white fellow-citizens. But as Negroes develop in intelligence, in their standard of living and economic power, they desire better houses, better public facilities and other conveniences not usually obtainable in the sections allotted to their less fortunate black brothers. To obtain these advantages they seek other neighborhoods, just as the European immigrants who are crowded into segregated sections of our cities seek better surroundings when they are economically able to secure them.

But a prejudiced opposition from his prospective white neigh-

bors confronts the Negro, which does not meet the immigrant who has shuffled off the coil of his Continental condition. Intelligence and culture do not often discount color of skin. Professions of democratic justice in the North, and deeds of individual kindness in the South, have not yet secured to Negroes the unmolested residence in blocks with white fellow-citizens. In Northern cities where larger liberty in some avenues obtains, the home life, the church life and much of the business and community life of Negroes are carried on separately and apart from the common life of the whole people. In Southern communities, with separate street-car laws, separate places of amusement and recreation, separate hospitals and separate cemeteries, there is sharp cleavage between whites and Negroes, living and dead. With separation in neighborhoods, in work, in churches, in homes and in almost every phase of their life, there is growing up in the cities of America a distinct Negro world, isolated from many of the impulses of the common life and little known and understood by the white world about it.

### III. THE SEQUEL OF SEGREGATION

In the midst of this migration and segregation, the Negro is trying to make a three-fold adjustment, each phase of which requires heroic struggle. First, there is the adjustment that all rural populations have to make in learning to live in town. Adjustment to conditions of housing, employment, amusement, etc., is necessary for all who make the change from country to city. The Negro must make a second adjustment from the status of a chattel to that of free contract, from servitude to citizenship. He has to realize in his own consciousness the self-confidence of a free man. Finally, the Negro must adjust himself to the white population in the cities, and it is no exaggeration of the facts to say that generally today the attitude of this white population is either indifferent or prejudiced or both.

Now, the outcome of segregation in such a serious situation is first of all to create an attitude of suspicion and hostility between the best elements of the two races. Too much of the Negro's knowledge of the white world comes through demagogues, commercial sharks, yellow journalism and those "citizens" who compose the mobs, while too much of the white man's knowledge of the Negro

people is derived from similar sources, from domestic servants and from superficial observation of the loafers about the streets. The best elements of both races, thus entirely removed from friendly contact, except for the chance meeting of individuals in the market place, know hardly anything of their common life and tend to become more suspicious and hostile toward each other than toward strangers from a far country.

The white community is thus frequently led to unjust judgments of Negroes and Negro neighborhoods, as seen in the soubriquets of "little Africa," "black bottom," "Niggertown," "Smoketown," "Buzzard's Alley," "Chinch-row," and as indicated by the fact that the individuals and families who live in these neighborhoods are all lumped by popular opinion into one class. Only here and there does a white person come to know that "there are Negroes and Negroes just as there are white folks and white folks." The most serious side of this attitude and opinion is, that the Negro is handicapped by them in securing the very things that would help him in working out his own salvation.

### *1. The Sequel in Housing Conditions*

In the matter of the housing conditions under which he must live, reliable investigations have shown that in several cities the "red-light" districts of white people are either in the midst of, or border closely upon Negro neighborhoods. Also respectable Negroes often find it impossible to free themselves from disreputable and vicious neighbors of their own race, because the localities in which both may live are limited. And on top of this, Negroes often pay higher rentals for accommodations similar to those of white tenants, and, frequently, improved houses are secured only when white people who occupied them have moved on to something better. In Southern cities, many of the abler classes of Negroes have escaped the environment of the vicious element by creating decent neighborhoods through home ownership, and by eternal vigilance, excluding saloons, gambling places or other degrading agencies. For the poorer and less thrifty element, in a number of towns and cities, loose building regulations allow greedy landlords to profit by "gun-barrel" shanties and cottages, by "arks," of which the typical pigeon-house would be a construction model, and by small houses crowded upon the same lot, often facing front street, side street and the alley, with lack of sewerage

and with other sanitary neglect, which an inspector of one Southern city described as "a crying disgrace to any civilized people."

Yet, in the face of these handicaps, thousands of homes that would do credit to any people on earth are springing up in these cities. In the absence or with the indifference of sanitary authorities, intelligent Negroes are not only struggling to free themselves from disease-breeding surroundings, but they are teaching the unintelligent throng. In spite of spontaneous schemes of real estate owners and agents to keep them out of desirable neighborhoods, in spite of the deliberate designs of city segregation ordinances such as have been passed in several cities and attempted in others, in spite of intimidation, the abler Negroes in some cities are buying homes and creating decent neighborhoods in which to live. However, the larger proportion are rent payers and not owners, hence they need intelligent leadership and influential support in their efforts for improved housing and neighborhood conditions.

## *2. The Economic Sequel*

Three facts should be placed in the foreground in looking at the economic conditions of the segregated Negro in the city. First, the masses of those who have migrated to town are unprepared to meet the exacting requirements of organized industry, and the keen competition of more efficient laborers. Second, organized facilities for training these inefficient, groping seekers for something better are next to nothing in practically all the cities to which they are flocking. They, therefore, drift hit or miss into any occupations which are held out to their unskilled hands and untutored brains. Natural aptitude enables many to "pick up" some skill, and these succeed in gaining a stable place. But the thousands work from day to day with that weak tenure and frequent change of place from which all unskilled, unorganized laborers suffer under modern industry and trade.

The third fact of prime importance is the prejudice of the white industrial world, which the Negro must enter to earn his food, shelter and raiment. This prejudice, when displayed by employers, is partly due to the inefficiency indicated above and the failure to discriminate between the efficient individual and this untrained throng. When exhibited by fellow wage-earners, it is partly due to fear of probable successful competitors and to the belief that the Negro



has "his place" fixed by a previous condition of servitude. But in the cases of many employers and employees, as shown in numbers of instances carefully investigated, the opposition to the Negro in industrial pursuits is due to a whimsical dislike of any workman who is not white and especially of one who is black!

The general result of this inefficiency, of this lack of facilities and guidance for occupational training which would overcome the defect, and of this dwarfing prejudice is far-reaching. In both Northern and Southern cities the result is a serious limitation of the occupational field for Negroes, thus robbing them of better income and depriving the community of a large supply of valuable potential labor. Examination of occupational statistics for Northern cities shows that from about three-fourths to about nine-tenths of Negro males engaged in gainful occupations are employed in domestic and personal service. Workmen in industries requiring skill are so well organized in the North that Negroes in any numbers must enter the trades through union portals. Only in late years, and frequently at the time of strikes, as in the building trades' strike of 1900, the stockyards' strike of 1904, and the teamsters' strike of 1905 in Chicago, has the Negro been recognized as a fellow-workman whose interests are common with the cause of organized labor. A large assortment of testimony lately gathered by Atlanta University from artisans and union officials in all parts of the country gives firm ground for the conclusion that, except in some occupations largely the building and mining trades, white union men are yet a long distance from heartily receiving Negro workmen on equal terms.

In Southern cities Negro labor is the main dependence and manual labor is slow to lose the badge of servitude. But for selected occupations in Southern cities between 1890 and 1900 the rate of increase in domestic and personal service occupations among Negroes was greater than those in manufacturing and mechanical pursuits, and than those in trade and transportation, if draymen, hackmen, and teamsters are omitted from the last classification. The occupations of barbering, whitewashing, laundering etc., are being absorbed by white men. The white firemen of the Georgia Railroad and Queen and Crescent Railway, struck because these companies insisted upon giving Negro firemen employment on desirable trains. These are indications of a possible condition when the desire of white men for places held by Negroes becomes a matter of keen competition.

An able writer on the Negro problem has asserted that in the South the Negroes can get any work "under the sun." But since an increasing proportion of modern industry is conducted in the shade, the Southern city Negro of tomorrow may find it as difficult to wedge his way into the better paid occupations as does his black brother in the North now.

When it comes to the question of business experience and opportunity, the sea is still thicker with reefs and shoals. A Negro who wants training and experience in some line of business that he may begin some enterprise of his own, finds, except in very rare cases, the avenues to positions in white establishments which would give him this experience closed. The deadline of his desire is a messenger's place or a porter's job. How can a porter learn to run a mercantile establishment or a messenger understand how to manage a bank? His only alternative, inexperienced as he may be, is to risk his meager savings in venturing upon an unsounded sea. Shipwreck is necessarily the rule, and successful voyage the exception.

The successes, however, in both industry and trade are multiplying, and with substantial encouragement may change the rule to exception in the teeth of excessive handicaps. There was an increase between 1890 and 1900 of 11.6 per cent of Negroes engaged in selected skilled and semi-skilled occupations in Southern cities. In 1910 the executive council of the American Federation of Labor unanimously passed a resolution inviting Negroes, along with other races, into its ranks. Some of its affiliated bodies have shown active sympathy with this sentiment, and have taken steps in different cities to bring in Negro workmen. All of eleven Negro inventors of 1911 were city dwellers. The "Freedmen's Bank," which had branches in about thirty-five cities and towns failed in 1873. During its existence it held deposits of over \$50,000,000 of savings of the freedmen. Although the confidence of the freedmen was shaken to its foundation, they have rallied and in 1911 there were 64 private Negro banks in the towns and cities of the country. Many of these are thriving institutions. There is no means of knowing the number and importance of other Negro business enterprises. But judging from studies of Negro business enterprises made in Philadelphia and in New York City, and from the widespread attendance upon the annual meetings of the National Negro Business League, substantial progress is triumphing over unusual obstacles.

### 3. *The Sequel in Health and Morals*

Crowded into segregated districts; living in poor houses for the most part for which they pay high rentals; often untaught and without teachers in the requirements of town life; walled in by inefficiency, lack of training and the chance to get the training; usually restricted from well-paid occupations by the prejudice of fellow-employees and frequently by the prejudice of employers; with a small income and the resulting low standard of living, the wonder is not that Negroes have a uniformly higher death-rate than whites in the cities and towns, but that the mortality is as small as it is and shows signs of decrease. Forced by municipal indifferences or design in many cities to live in districts contaminated by houses and persons of ill-fame; unable often to drive from their residential districts saloons and dens of vice; feeling the pressure of the less moral elements of both races, and feeling that weight of police and courts which the poor and the oppressed undoubtedly experience, the marvel is not that the criminal records outrun other elements of our urban population, but that impartial observers both North and South testify to the large law-abiding Negro citizenship, and to the thousands of pure individuals, Christian homes and communities.<sup>1</sup>

In speaking of the Negro death-rate in Southern cities, Frederick L. Hoffman, who cannot be charged with favorable bias, said in 1906, "without exception, the death-rates are materially in excess of the corresponding death-rates of the white population, but there has also been in this case a persistent decline in the general death-rate from 38.1 per 1,000 in 1871 to 32.9 in 1886 and 28.1 in 1904." Data from other investigations for five Southern cities (three cities not included in Mr. Hoffman's studies) show results similar to his. Figures for the death-rate of Negroes in Northern cities are not available.

Infant mortality, tuberculosis and pneumonia are chief causes of the excessive death-rate. Negroes in cities have an excessive number of female breadwinners, and a large proportion of these are married women. The neglect of the child, while the mother is "working out" during the long hours of domestic service, and ignorance of child nurture are the ingredients of the soothing-syrup

<sup>1</sup> The writer has had to condense into a few clauses here the conclusions from a large amount of testimony and facts.

which lulls thousands of small children into the sleep of death. Undernourishment due to low pay, bad housing, poor sanitation, ignorant fear of "night air" and lack of understanding of the dangers of infection make Negroes the prey of diseases now clearly proven preventable. With an aroused public conscience for sanitation and adequate leadership in education on matters of health these conditions are gradually removable.

The mental and moral conditions of a people cannot be shown by case counting. Tables of criminal statistics are quite as much a commentary on the culture conditions of the whole community as upon the accused Negro. The best study of crime in cities showed that down to 1903 there was a general tendency toward a decrease among Negroes. Available testimony for Southern cities from the days of the Freedmen's Bureau superintendence down to the present time is decidedly in favor of the Negro, even under an archaic penal system. Personal observation for fifteen years during residence in and repeated visits to a score of the larger cities and a number of the smaller ones, leave the writer with a firm conviction of decided advancement. The intelligence and character demanded of ministers, teachers, doctors, lawyers and other professional classes, the drawing of social lines based upon individual worth, the improved type of amusement and recreation frequently in evidence and similar manifestations are a part of the barometer which clearly shows progress.

#### *4. The Sequel in Miscellaneous Conditions*

To make the view of urban situation among Negroes full and clear, a number of conditions which exist in some cities but are absent in others should be included in the list. In many cities the sequel of segregation means less effective police patrol and inadequate fire protection; in others it means unpaved streets, the absence of proper sewerage and lack of other sanitary supervision and requirements.

The provision which people have for the play life of their children and themselves is nearly as important as the conditions of labor. Facilities for amusement and recreation, then, are of great importance to the Negro. Wholesome amusement for all the people is just beginning to receive deserved attention. But the Negro is

in danger of being left out of account in the movement. Playgrounds in Negro neighborhoods are so rare as to excite curiosity, and organized play is just being heard of in the Negro world. There is hardly a city where unhindered access to theatres and moving picture shows exists. In a few Southern cities "Negro parks" of fair attractiveness are being provided because exclusion from public parks used by whites has been the custom. Here and there enterprising Negroes are starting playhouses for their own people.

In the provision for education, the opportunity of the city Negro is much greater than that of his rural brother. Yet, while one rejoices over this fact, candor compels consideration of the relative educational chances of the black boy and the white one. Some of the Northern cities which have no official or actual separation in public schools may be passed without scrutiny. In others and in some border cities like St. Louis, Washington and Louisville, where there are separate schools, the standards and equipment for the Negro schools compare favorably. Also a large need of praise is due Southern communities for the great advance which has been made in public opinion and financial support for Negro education. Yet, in many cities, although local pride may apply names and give glowing descriptions, those who have seen the public school systems at close range know that they are poor compared with white schools in the same places. The bona-fide Negro public high schools in the cities of the South can be counted on the fingers of the two hands. Public schools all over the land have been tardy to the call of the educational needs of the masses of the people. The "dead hand" of past aims, content and methods of education still clasps many communities in its icy grip. It is well-nigh impossible to tell in a generalized statement the significance of this condition as applied to the city Negro. The hopeful sign of the situation is the awakening of the South to the need.

#### IV. SUGGESTIONS FOR SOLUTION

The recital of the foregoing facts and conclusions would be of little consequence unless it led somewhere. The summary of the discussion presents a clear case of a large nation-wide Negro migration to towns and cities, such as is taking place among the entire people; a segregation within the city of Negroes into distinct neigh-

borhoods with a decreasing contact with the larger community and its impulses; accompanying housing, economic, health, moral, educational and other conditions which are more critical and are receiving less attention than similar problems among the white people. With such a problem before us, what should be done?

1. There should be an organized effort to acquaint the Negro in the country with the desirability of his remaining where he is unless by education and training he is prepared to meet the exactions of adjustments to city life. The roseate picture of city existence should be corrected. Simultaneously with the agricultural and other improvements of country life calculated to make its economic and social conditions more attractive should go an effort to minimize the activities of labor agents, employment agency sharks and the other influences that lure the rustics from home.

2. Recognizing that already more than two score cities and towns have large Negro populations in the first stages of adjustment, organized effort should be made to help the Negro to learn to live in town. The thoughtful white and colored people in each community will have to break the bonds of this increasing segregation and come into some form of organized community coöperation. The danger most to be feared is antagonism between the better element of both races, because they may not know and understand each other. The meeting on the high levels of mutual sympathy and coöperation will work wonders with prejudices and conventional barriers.

3. The coöperative movement of the white and colored citizens of each locality should work out a community program for the neighborhood, housing, economic, educational, religious and other improvement of the Negro. The time is at hand when we should not let this matter longer drift.

4. Such a movement should sooner or later become conscious of the national character of the problem and the towns and cities should unite for the exchange of plans, methods and experience and for general coöperation and for developing needed enthusiasm.

5. The Negro must have more and better trained leadership in these local situations. Slowly but surely we are listening to the lesson of group psychology and common sense and are beginning to use the most direct way of influencing the customs and habits of a people by giving them teachers and exemplars of their own kind. If the Negro is to be lifted to the full stature of American

civilization, he must have leaders—wise, well-trained leaders—who are learned in the American ways of thinking and of doing things. And it should never be forgotten that the Negro himself has valuable contributions to make to American life.

6. The final suggestion is that the white people of each locality can best foster mutual confidence and coöperation of Negroes by according them impartial community justice. This means “a square deal” in industry, in education and in other parts of the common life. It means equality of opportunity.

These conditions among Negroes in the cities arise as much from the many changes which are taking place in the life of the Negro as from the changes taking place in the life of the nation. The Negro is awakening to a race consciousness and to the consciousness of American citizenship. His migration is a part of his groping efforts to better his condition; he is trying to engage in industry and commerce and is accumulating wealth. Above the ruins of the slave cabin he is building homes. Upon the ash-cleared hearth of the chattel he is developing the sacredness of family relationships. Where once he toiled that the children of others might have leisure and learning, he is trying to erect schools and colleges for the education of his own. In lieu of the superstition and ignorance which savagery and serfdom had made his daily portion, the Negro is trying to cultivate an ethical and religious life beautiful in holiness and achieving in service. In these efforts for self-realization in the city the Negro needs the fair dealing, the sympathy and the coöperation of his white brother. For the problem of his adjustment is only a part of the great human problem of justice for the handicapped in democratic America.

## CHURCHES AND RELIGIOUS CONDITIONS

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The first thing to be kept in mind concerning the Negro church is that it is the only institution which the Negro may call his own. If he is a teacher he must be examined by the white school board, teach in a building owned by the white county officials, and receive his salary from the white superintendent. The same is true of the colored lawyer or doctor; he must receive from the white authorities his license to practice law or medicine, and this is granted under conditions formulated entirely independently of the Negro. But with the church it is altogether different. So long as the Negro conforms to the general laws of the state he is absolutely free to direct his church affairs as he sees fit. Error may be taught, immorality may thrive, and funds be misappropriated, all without feeling the pressure of any outside authority. A new church may be built, a new pastor installed, new members received and all the machinery of the church set in motion without ever consulting any white person. In a word, the church is the Negro's own institution, developed according to his own standards, and more nearly than anything else represents the real life of the race.

Another primary factor is the Negro's religious temperament. He has the simplicity of a child in the presence of the unseen forces of life, and readily yields to the demands of reverence and worship. Whatever is mysterious appeals to his uncultivated mind. In all matters concerning death and the future life his attitude is one of dread and gloom. His feelings are easily aroused, not so much by sight or thought as by sound. Whatever is weird or sad awakens an instinctive response in the bosom of the colored man. All of his songs and most of his preaching illustrate this primary fact; and the preacher who would teach his people must clothe his message in picturesque forms and deliver it in that peculiar sing-song voice so irresistible to the average Negro. Many times I have heard the better type of preacher trying to impress some message



upon his people with no response whatever until he abandoned the formal presentation and took up the weird swinging rhythm so dear to the hearts of his hearers. The effect is always instantaneous. It is like the words of an old song to a man far from home. The first note is sufficient to stir the inmost springs of his emotional life. It is this appeal to the emotions which makes the church and the religious ceremony so dear to the heart of the Negro. The church is the one place where he can pour out his heart and revel in the unchecked flow of feeling and sentiment.

The Negro is often criticised for this emotionalism, and the colored preacher blamed for appealing to it in his sermons, but it is very doubtful whether the race is at present prepared for anything else. In the best educated circles, of course, there are many who can enjoy an intellectual sermon; but congregations in which the educated class predominates are very scarce, and even in the large cities today the preacher who appeals to the emotions will soon win over to his church many of the members of his more scholarly brother in the next block. Few things in the colored ministry today are more pathetic than the struggle of a conscientious pastor trying to protect his people and prevent them from running off after some sensational preacher who has just come to town. This situation prevails wherever the Negro lives today, and in more than one large church in Philadelphia is a very pressing problem. Unless a colored preacher has some strong institutional organization or a very powerful personal attraction he is almost compelled to yield to this elemental demand of his race. He must first of all make them "feel good," and if in doing so he can impress some valuable truth he is fortunate.

The power of the emotional appeal has only been strengthened by the traditional training of the race. Through his whole history the Negro has been taught to fear the powers of the spirit world, the unseen forces have been held up to him as directing and controlling all his life, and from the days of the African fetich doctor until now the tendency of his religious teaching has been to keep alive the feeling of dependence upon the divine powers. His lot whether in Africa or in America has never been easy and his daily needs have driven him to look to some other source for comfort and help. The need of heaven as the place for the righting of all wrongs and the enjoyment of all things denied him here has been

ever present, and the church as the medium of attainment for all these desires has had a tremendous power over the life of the race.

Before the Civil War nearly all Negroes were members of the white church, and from their place in the rear or in the balcony listened to the same preaching as the whites. But with emancipation everything was changed rapidly. Separate colored churches sprang up everywhere, and the colored members rapidly withdrew from the white churches to join those of their own color.

In organization and administration these colored churches followed closely the forms of the white churches from which they sprang and which were their only models. As a rule the Catholics and Episcopalians have retained their colored members as regular members of the white churches. The Presbyterians, Congregationalists, and Northern Methodists have allowed them to form separate churches under control of the whites. The colored Baptists, however, and most of the colored Methodists have formed churches entirely independent of white control, a fact which largely accounts for the large numbers in these denominations.

The people as a rule love the freedom of their own institutions, and the colored preacher has not cared or has not been able to conform to the more strict requirement of a church controlled by the whites when the doors of his own independent church are open to him without any specific training or ability on his part. There are of course in the Methodist and Baptist church many educated preachers, and the number is increasing, but there can be no doubt that as a rule the better trained men are in the other denominations. In the colored Presbyterian or Congregational church today one will usually find a well-trained preacher, conducting an orderly service very much after the fashion of the white church, but almost invariably with a small congregation. If one would see the typical Negro congregation he must go to the Baptist or Methodist church perhaps on the same block. Here he will probably find a preacher with mediocre ability and training, following the traditional lines of preaching, but with a house full of people from all classes of life. As a distinct institution, therefore, there can be no doubt that the Baptist or Methodist is the typical Negro church.

At the beginning of the war the total number of colored church members was perhaps 700,000, of which the Baptists claimed 350,000 and the Methodists 270,000, most of whom were still in the white

churches. Today the colored Baptists have their own local associations, state conventions, and the national convention formed as early as 1886. They report for last year 17,000 churches, 12,000 ministers, and 2,000,000 communicants. The colored Methodists have had a similar growth, and today the five separate branches report a membership of about 1,500,000.

This complete separation opens up to the ambitious preacher an opportunity not found in the churches under white control. It has the advantage of developing initiative on the part of both pastor and people and trains them in the habits of self-control as nothing else in the reach of the race. But it has also been attended with certain definite evils. The freedom from white supervision has at times encouraged excesses which are harmful to all. The Negro, like most of us, loves the spoils of office, and the titles of the ministry have a peculiar fascination for him. To be called "reverend" is the joy of his life; he will do almost anything to secure the title of "D.D.," and if by any means he may become "president" of some Baptist body or "elder" or "bishop" in the Methodist church, the dream of his life has been realized. In this he differs very little from some of his white brethren, but the possibility of securing these honors has been a peculiar temptation to him. He has often prostituted religion to personal ambition, and the highest offices have been too often bestowed upon men of unworthy character who were able by political astuteness to control a majority. To verify this one has only to have a confidential talk with almost any colored preacher following some important church election. The evil is a definite one and is to be remedied not by taking from them the privilege of conducting their own affairs but by raising the standard of character throughout the rank and file of the race.

The Negro church can hardly be said to have a theology. The teachings of the colored pulpit are the traditional doctrines of the white church handed down through white teachers and fostered by current commentaries available for the colored preacher. The care of God for the needy, the substitutionary atonement of Jesus, the verbal inspiration of the Bible are the main lines of theological thought. These things the average preacher accepts without making any effort to establish their truth or falsity. What the average negro wants is not to test the truth of a proposition but to preach an "effective" sermon. He is willing enough to accept what others

have said as true so long as he can use it effectively. I have talked with many of the best trained preachers of the colored church and I have yet to find one who in any way is bothering himself with the current problems of theology. One of these men told me that it would do no good to keep up with current questions as his people were not interested in them and could not profit by their discussion. What pleases the average congregation is the recital of the Bible stories, and the preacher usually conforms to this demand.

Then too the various questions which divide the white congregations have very little real meaning for the Negro. He joins the Methodist or Baptist church almost indiscriminately as one is nearer home, has a better building or a better preacher, or is made up of his associates. There is loyalty to one's denomination but it is not theological. The average Negro preacher never preaches a strictly denominational sermon and cares very little what his people believe so long as they become members of his church. All love the spectacular elements in the communion and the "baptizin," but care very little for what lies back of them. Only recently I saw a Baptist preacher conducting a Methodist protracted meeting in a Methodist church. The Methodist could not come; the Baptist was a good preacher; so why not use him? The Methodists saw no objection and supported him loyally.

In church administration the Negro is more original and often very effective. His primary problem is one of finances. The preacher may not care what his people believe; he may not even care what they do; but he must be vitally interested in the finances of the church. In this particular direction the Negro has been unusually active. New churches are constantly springing up and in most places they compare very favorably with the average white church. The old rude structures are giving way for the modern frame or brick building, nicely painted, furnished with modern pews, often with pipe organ and all that goes to make up a well ordered church equipment. Quite naturally therefore the problem of the church debt has come to be a standing burden for the colored pastor as is often the case with his white brother.

In addition to his church building the Negro is today spending quite a sum of money in purely altruistic endeavor. Hospitals and rescue homes are increasing; denominational schools receive most of their funds from the churches, and almost every colored denomination supports one or more foreign missionaries in the West Indies

and in various parts of Africa. These activities mark out the lines along which the church is working and are a distinctly hopeful sign, but they entail heavy expense upon a people poorly equipped to bear them. When these items are added to the regular church expenses and preacher's salary, the financial problem assumes very great importance and taxes the ingenuity of the most efficient pastor.

The first thing of course which the pastor must do to meet the demand is to get the crowds. To do this he must be able to make them "enjoy" the service by preaching sensational sermons. Nothing else is so effective in bringing the crowds, and in a way this is the most important factor in the pastor's work.

Furthermore he must not be too strict in discipline. Many of his best paying members belong to the questionable class and are known to be earning money in ways not approved by the teachings of the church. These he can not afford to alienate; it would ruin his church. And many a preacher has been forced to accommodate his teaching and administration to such persons when, if he had been free, his work would have borne a different stamp. On the other hand there are many according to the statements of some of their best men, who deliberately take advantage of this situation to bring into their churches a crowd of people who are willing to pay liberally to be let alone in their personal lives and who at the same time are willing to let the preacher alone in his own shortcomings. Just how far this is true no one can tell, but there can be no doubt that some of the pastors of the largest churches maintain their places because they have around them church officials who support the pastor in the toleration of moral laxness on the part of both pastor and people. They feel repaid by the fact that, by having a big church which contributes liberally, the pastor gets a prominent place in the denomination and the glory is reflected back upon his members. Perhaps there are very few pastors who do not feel the pressure of this condition, but while many are striving nobly against it many others seem to welcome it for the sake of their own ambitions. It is a place where the need of money and the love of power have become dominant.

The next great problem of the colored preacher is to meet the religious needs of his people. This would seem to be first, but one who has watched the work of the colored church is compelled to conclude that the question of finance comes first so far as any defi-

nite plans are followed. But the conscientious preacher finds among his people much need for the more personal activity of the minister and often his work in this particular is very effective. The Negro works all the week under discouraging conditions, reminded on every hand of his inferiority, ashamed of his racial history, and suffering for many things of which he is innocent. Too often ignorance and vice crowd out of his life what little of light might otherwise enter. So on Sunday the preacher faces his people knowing that most of them need encouragement and a glimpse of something better than they have known through the week. It is not surprising therefore that much of the preaching takes this form with the definite purpose of enabling the congregation to forget their grievances and, for a short while at least, to feel that there is some one who does care for them and who does not blame them for being black. This Sunday religion of the race is valuable if for no other reason than that it encourages and satisfies as nothing else does or can the often unexpressed hopes of the race. In the hands of an unscrupulous preacher, of course, the gospel of comfort degenerates into a disgusting effort to "stir up" the people. But on the part of their best men it brings to lives accustomed to harshness and injustice a glimpse at least of tenderness and love. In so far the Sunday preaching of the average Negro church is valuable. But when it comes to the actual religious instruction given and the motive power for better living it is very difficult to speak encouragingly or accurately. We so readily generalize concerning the Negro's life and know in reality so little about it. His actual religious life is bound up with all his activities and is exceedingly difficult to analyze. A few things however are evident.

Among a large number of older people both white and black there is the definite conviction that the present generation of Negroes is hopelessly degenerate, as compared with the devout life of the slave. One of the most common notes in present day preaching is that the younger set of Negroes can not be trusted, and that their religion is worthless. It used to be possible, say the older ones, to trust a member of the church, but now there is no difference. Church members and non-church members are doing the same thing—trying to get the advantage of the other fellow.

Part of this distrust is due to the well-known tendency to glorify the good old days of the slave. But part of it is well founded.

The younger Negro, faced with the sudden readjustment coming with emancipation, has not yet been able to find a secure moral or religious footing. He is engaged in a long, hard, struggle, in which he started with poor equipment. He has been asked to make the change from irresponsibility to responsibility, adopt a new standard of ethics and make it effective in his life, when his traditions and inclinations make that well-nigh impossible. If many of the first few generations fail one need not be surprised. We can only hope that the condition is temporary and that a new and educated generation will find religion and morals more vitally related in every day life.

On the other hand the church itself is largely responsible for much of the shortcomings of the younger set. All sorts of pressure is brought to bear in getting them into the church, very little test of fitness is applied, and the young member comes in feeling that if he has been "sorry" for his misdeeds, and will keep up his church dues, he is all right. There can be no doubt that church rivalry for numbers lies at the basis of much of this laxness, and if the younger set come in and remain without shaping their lives to the higher standard of religious duty, the blame is certainly not all with them. They are surrounded with evidences of laxity in the moral conceptions of the others and it is little wonder if they fail.

Then too there are many things now to detract from the interest in church life. The secret order bids for a large amount of the man's time, new avenues of entertainment are constantly opening, and with the growing distrust of the motives of the ministry which places such persistent emphasis upon money, tend inevitably to weaken the hold of religion upon the life of the race. So that one feels disposed to agree that in many cases the judgment is correct—the religion of the average young Negro and of many older ones as well is of very questionable value.

Just how conditions may be improved would be exceedingly difficult to say. But there is one avenue through which much improvement may be promised. The Negro is dependent largely for his advancement upon the example and encouragement of the whites. And one of the greatest stumbling blocks in the way of his religious development is what he feels to be the constant insincerity of the whites. It will do the average Negro very little good to learn that the white man has given a thousand dollars to convert the natives

in Africa while at the same time he is growing rich by exploiting his own colored employees. Strict justice and fairness on the part of the white church member will make it easier for the colored man to live up to his religious obligations.

Furthermore if vital Christianity is to prevail in the Negro's life he must have a larger part in shaping the policies under which he is to labor. After many inquiries I have found almost no instance where the colored ministers and leaders have been asked to take part in carrying out any program for civic betterment in their city or town. Usually the program is mapped out by the white leaders and after it has been put through the colored leaders are expected to bring their people up to the new requirement. On the other hand, some of the most hopeless conditions that I have seen prevail where the protests of the conscientious colored men have been constantly made against the presence of cheap dives in their community only to be ignored by the white political machine. It is hardly fair for a city government to permit wholesale temptations to be placed in the path of the Negro and then blame him if he falls. And I doubt whether there is anywhere a more pathetic instance of a losing struggle than is afforded by the futile efforts of a Negro mother to rear her children under the conditions prevailing in many Negro sections of our cities.

It is useless to criticise the Negro for the failure of his religion while the whites are making it impossible for it to be otherwise.



## NEGRO ORGANIZATIONS

By B. F. LEE, JR.,

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The account of the organized effort for self-help among Negroes in this country, since the Civil War, is incomplete without at least a brief mention of the ante-bellum organizations which were the forerunners of later efforts, many of which have become national in scope. When we consider the difficulties that confronted the members of the National Negro Convention of 1830, the courage of the signers of the petition of 1780 and the desperate bravery that marks some of the slave uprisings we are forced to wonder at the pathetic failure of some of the attempts at organization among the freedmen of America since the Civil War.

The uprising of the slaves in New York in 1812 was the first of the ten slave insurrections recorded by American historians. There were eight insurrections among the Southern Negroes, some of which were well planned and led by men who were determined to achieve freedom at all costs. The names of "Nat" Turner, Denmark Vasey, "General Gabriel" and Peter Poyas lend a romance to American history that the later champions of freedom have scarcely equaled.

The first organized effort among freedmen was probably the action of seven men at Dartmouth, Mass., who, on February 10, 1780, presented to the governor of Massachusetts Bay, a petition against the system of taxation without representation as practiced against the freedmen of New England. They asked that the benefits of the Revolution be extended to all free people regardless of color. Many of the later organizations among Negroes have had the same object in view, but the daring of the signers of this petition has never been surpassed.

The first national convention among Negroes, was doubtless the convention of freedmen which met at Philadelphia, September 15, 1830. It was the result of an effort on the part of Hezekiah Grice of Baltimore, to call together a group of representative free Negroes, to consider the various emigration schemes recommended to the American black men of that time. The organization adopted the

name of Convention of Colored Men. Among the leading spirits were Rt. Rev. Richard Allen, founder and bishop of the A. M. E. Church; Rt. Rev. Christopher Rush, one of the founders and first bishop of the A. M. E. Zion Connection, and the Rev. W. C. Pennington, a Presbyterian minister and noted scholar. Following a two days' discussion the convention endorsed the Canadian emigration plan, at the same time condemning the American Colonization Society and its West African effort. The conference adjourned to meet the first week in June, 1831. Little is known of the next conference except that several plans for the betterment of freedmen were discussed and that Hezekiah Grice, the founder, was not present. Mr. Grice was at Baltimore engaged in the formation of what was probably the first legal rights convention among Negroes in the United States. This association proposed to ascertain the legal status of the Afro-American freedmen. The white attorneys of that day refused to commit themselves on this dangerous question and the association, failing in its object, soon passed out of existence.

There were other conventions following that of 1831; there is an account of one held at Syracuse, N. Y., September 15, 1864, over which Frederick Douglass presided with the Hon. John M. Langston, Wm. H. Day, Jonathan C. Gibbs and Henry Highland Garnett among the delegates. Mr. Douglass in an address stated that the purpose of the convention was to "promote the freedom, progress, elevation and enfranchisement of the entire colored people of the nation." It was resolved at this conference to form an equal rights committee, whose function was to promote state equal rights leagues throughout the country. Several such bodies were formed during the latter half of the sixties; the first of these was the state equal rights congress of colored people of Pennsylvania, which met at Harrisburg, February 8 to 10, 1865. The Harrisburg meeting instituted a number of subordinate leagues and brought into the work men and women from all parts of the state. The branches soon became important factors of the conventions of colored men, whose influence extends to the present day. Wm. Nesbit, of Altoona, opened the convention at Washington, D. C., January 13, 1869. Joseph Bustill, of Philadelphia, presented a protest against the partial exclusion of colored people from the franchise after the passage of the fourteenth amendment to the Constitution of the United States. A resolution was adopted during the session to petition the

Senate on behalf of the colored people. The establishment of an industrial and manual training school for Negroes at New Haven, Conn., was also recommended.

It is worthy of note that the first Negro anti-slavery convention was held at Philadelphia, June 4, 1832. The anti-slavery convention also condemned the West African colonization scheme, advised the colored people not to emigrate to Liberia or to Hayti, and endorsed the Canadian plan. A striking feature of this convention is that they recommended the Declaration of Independence and the Constitution of the United States to be read at all conventions: "believing that the truths contained in the former are incontrovertible and that the latter guarantees, in letter and spirit, to every freeman in this country all the rights and immunities of citizenship."

The period immediately following the Civil War shows very little activity among Negroes on an independent basis. The convention of colored men continued its sessions at irregular periods, and several local associations with the same object in view came into existence during the latter part of the sixties. The early reconstruction days were times of coöperation between the Northern white sympathizers and the Negro. The active men and women of the darker race gave the greater part of their energy to the more intensive work of helping their recently liberated brethren in the South. Political organization and local problems of adjustment consumed their time and under the new spirit of coöperation the national questions and the Negroes' grievances were considered with the help of white organizations. The independent Negro churches received great impetus during this period and new ones sprang into existence, Negro secret and benevolent orders came into being, and older ones added a large number of local orders in the South. The Colored Order of the Knights of Pythias was started in 1864, the Independent Order of St. Luke in 1867 and the United Order of Moses in 1868. The first Colored Y. M. C. A. was organized in 1866, and the first students' association in 1869. Wm. A. Hunton was the first colored international secretary. In 1881 the National Women's Christian Temperance Union started its work among colored women, Mrs. Jane Kenny, being the first superintendent. Mrs. Frances E. Harper followed her in 1883.

As a result of an inspiration that occurred to Mr. T. Thomas

Fortune, the Afro-American Protective League came into existence. Its first efforts were put forth in 1887 and within the year many local organizations were formed. The objects of the League were to protest against taxation without representation, to secure a more equitable distribution of school funds, where separate schools were maintained, and to fight legal discrimination and lynch law. They further proposed to assist in the emigration of Negroes from sections rendered intolerable for them through the conduct of the lawless whites. They proposed to help create a healthful sentiment between the two races and to promote the character and reputation of the colored people. At its inception the League was supported with a great deal of enthusiasm but the second year of its existence showed a discouraging lack of interest. In the national convention of 1890, however, 22 states and territories were represented with 141 delegates seated. The League took up the work of the older conventions which has continued to the present day passing to the Afro-American Council, the Niagara Movement and the National Association for the Advancement of Colored People.

The American Association of Educators of Colored Youth held its first meeting in 1889. "Any person in any way connected with the training of youth or engaged in the welfare of the race is eligible to membership." The subjects for discussion at the annual meetings included "Manual Training," "The College-bred Negro," "Disfranchisement," "The Teacher in Race Development," and "Industrial Training and Higher Education." Its officers and members included most of our noted educators and public spirited men and women. The names of Dr. Booker T. Washington, Mrs. Frances E. Harper, Dr. W. E. B. DuBois, and Mrs. F. L. Coppin appear on its reports. The Association offered the only means for many colored teachers to take part in the discussion of their school problems.

The colored press convention held its first great meeting at Washington, D. C., March 5, 1889. There were press conventions prior to this, but the deliberations of the body at this convention, the speeches, including the address of welcome by the Hon. John M. Langston, marks it as the real beginning of the organization. The majority of the Negro publications were represented and definite plans for the promotion of the Negro press were formulated. A statistical committee was formed to tabulate the Negro publica-

tions for permanent reference. The methods of Negro journalists were discussed. A remarkable feature was that several members owed their eligibility to the fact that they were employed on daily papers as correspondents and as reporters. There had been Negro press conferences previous to 1889; there have been conventions since then, but the convention at Washington was the first to bring forward practical plans for coöperation and advance among the Negro journalists of this country.

The Tuskegee Conference held its first annual meeting at Tuskegee, Ala., in 1890. The organization of the Negro farmers for mutual improvement and the study of better methods through these conferences has been a great boon, especially to the Southern men who lack the contact so necessary for advance in modern agricultural methods. As in other of Dr. Washington's efforts the conference is one of the most active organizations among colored people. Many other institutions for colored people hold conferences each year.

The National Association of Physicians, Dentists and Pharmacists of the United States of America was organized in 1895. Since that time it has extended its influence throughout the country. Papers on technical subjects, social aspects of medicine, the physician and the community and other social and ethnic problems are read. Colored physicians and laymen attach great importance to the deliberations of this body. The good work accomplished through its conventions cannot be overestimated. Dr. N. F. Mossell, founder of the Frederick Douglass Memorial Hospital, Dr. Daniel H. Williams, noted physician and surgeon, and Dr. E. C. Bentley, of Chicago, Ill., are among its members.

The first meeting of the National Federation of Colored Men was held at Detroit, Mich., in 1895. This Federation was formed for the social, economic and political uplift of the colored people of the country. It is practically committed to the Republican party. The leading spirits in it are members of the legal profession. Its influence has not been so extensive as was at first predicted, though many local Leagues are doing effective work, but the alliance of these is not a close one.

It is difficult to conceive of a more important organization than the National Association of Colored Women and its branches. The Association was founded in 1896. Some of its functions are the establishment of kindergartens, mothers' meetings and sewing classes,

the establishment of a sanatorium, and a general neighborhood welfare work. It is pledged to combat the "jim crow" laws, lynchings, and the convict lease system. About 800 local clubs report to the National Association of Colored Women. A list of 200 clubs was selected and it was found that the membership of the clubs listed was 10,908, that they had collected in two years nearly \$82,500, that the cost of the property owned by these clubs is nearly \$62,000, with a present valuation of \$113,332.25. Some of the local clubs have established reformatories, old folks' homes, day nurseries, working girls' clubs and social settlements. Among the studies reported by the locals were civics, art, literature, needlework and domestic science.

The American Negro Academy, founded 1895, is an organization perfected by Rev. Alexander Cromwell, of which Dr. DuBois is president. Hon. Archibald H. Grimke, Prof. Kelly Miller and Rev. Frank Grimke are among its members. The most important features of the academy, to the race, are the "Occasional Papers" series published and distributed by it.

Closely akin to the Academy is the American Negro Historical Society of Philadelphia, founded in 1897. "The object of this society is to collect relics, literature, and historical facts, relative to the Negro race, illustrating their progress and development in this country. It is the ultimate purpose of this Society to secure title to a permanent home for its meetings and a safe deposit for its effects." Rev. Henry L. Phillips, Rev. Matthew Anderson and William C. Bolivar are among its members.

The National Business League is a chartered body founded by Dr. Booker T. Washington. The League is the most virile institution of a purely secular nature among Negroes of the present generation. Its first meeting was held at Boston in 1890. There are 11 state leagues affiliated with it, 221 chartered local leagues located in 32 states of the Union, Jamaica and the British West Indies. Including the chartered organizations there are 450 local leagues allied with the National body, 4 large national associations, the first of which is the National Negro Bankers' Association, which was organized in 1906; it represents 64 Negro banks, capitalized at \$1,600,000 with an annual business of \$20,000,000. The National Association of Funeral Directors was organized in 1907. Its members include men from all parts of the country. The value of their

business cannot be expressed in less than ten figures. Some idea of the importance of the National Press Association, organized in 1909, may be gleaned from the fact that there are 398 periodicals published by Negroes in this country, including 249 newspapers. There is also a western Negro Press Association that has done a great deal to stimulate the Negro journalist of the Western States. The Negro Bar Association, the fourth affiliated national association, was also organized in 1909 and includes among its members some of the foremost legal authorities of the race. The Business League, with its locals and four great associations, is the most extensive organization among Negroes. It represents the commercial, business and industrial activities of the race.

The National League for the Protection of Colored Women, organized in 1906, has important local branches in New York, Philadelphia and Norfolk. The objects of the association are the protection, industrial advancement and education of colored women. Its most extensive work is its free employment bureaus, neighborhood houses and rescue work. Many cases of preventive work among the colored women, through Mrs. Layten, secretary of the Philadelphia Association, are known to the writer. It is now one of the three affiliated bodies of the National League on Urban Conditions among Negroes which was formed by a group of social workers and philanthropists of both races who were on the boards of the committee on urban conditions among Negroes, the National Association for the Protection of Colored Women and the committee for improving the industrial condition of Negroes in New York. The organization was perfected in 1911, Prof. E. R. A. Seligman is chairman and George E. Haynes, Ph.D., director.

The Negro race conferences have been held regularly since 1907. They are devoted to race adjustment and improvement through methods of self-help and to securing better opportunity by destroying unfair sentiment and laws against the Negro.

The National Association of Teachers in Colored Schools, organized March 5, 1907, is similar to the teachers association organized in 1889. It is a stronger organization and bids fair to live long.

The Colored Graduate Nurses National Association came into existence in 1908. Their conventions are devoted to the demonstrations of foods, local remedies and sick-room requisites, practical demonstrations and papers upon such subjects as "Visiting Nurses

in Public Schools," "Nursing Among Mutes," and "The Ideal Nurse," as well as papers by practicing physicians.

The colored musical and art clubs came together as a national association for the first time in 1908. Since then they have held regular conventions devoted to the advancement of music and art.

The National Association for the Advancement of the Negro is championed by a large number of white friends of the race. Though not strictly a Negro creation, its official organ, the *Crisis*, "A record of the darker races," is edited by Dr. W. E. B. DuBois. The object of the Association is the lifting of the Negro through the destruction of the barriers of prejudice, the protection of those who suffer from unfair or brutal treatment and the extension of all educational facilities to include the Negro. The Association has many active local branches which meet local difficulties, calling in the national body when grave problems confront them. It was founded in 1909.

The National Business League decided at their annual meeting of 1909 to lend their influence towards the celebration of the emancipation of the American Negroes from slavery. Efforts were made to obtain a national appropriation for the celebration, but, failing to secure the necessary funds, state celebrations have been arranged, and several states have planned for expositions. The largest will probably be the fiftieth anniversary of the emancipation from slavery to be held at Philadelphia in September, 1913.

In November, 1909, a young woman of Woodstown, N. J., Miss Abigail Richardson, conceived the idea of calling together the colored farmers of that vicinity for the purpose of improving their economic condition through a more extensive method of farming. The movement is known as the Country Farm Association, and has been a success from the beginning. They propose to "keep close touch on the market and cost of marketing; encourage the purchase of land; visit farms operated by colored men, and direct their study and method of record-keeping; demonstrate methods of farming on the few acres of land at the farmers' disposal; circulate farm bulletins; keep the people informed concerning local and national movements which affect the farmer closely; conduct corn, potato and tomato clubs; and arrange programs for the meetings of the farmers' association; direct the annual fair and exhibit and teach fundamental principles of farming to children."

In 1910, the Negro National Educational Congress was started



and the National Independent Political League held its first meeting in the same year. Besides the independents, the Negroes have a Democratic league and a Republican organization of considerable strength. Nearly every group of Negro voters has some kind of political club, organization or association.

Besides the institutions mentioned above, the Negroes of the United States have a large number of secret orders, some of which have attained the dignity of national organizations; for instance, The Grand United Order of Odd Fellows, the Knights of Pythias, the Order of Elks, and the National Order of Mosaic Templars. The great majority of the older secret organizations may be found among the colored people. Their importance is probably second only to the Negro church activities. The phenomenal growth of the Negro beneficial insurance companies is one of the signs of progress within the race; these institutions operate all over the country and give employment to thousands of black men and women. The Mutual and Provident Beneficial Company of Durham, N. C., the National Benefit Company of Washington, D. C., the Keystone Aid Society of Philadelphia, Pa., are good examples of Negro insurance companies of the best type. Law and order leagues, literary societies, Christian and educational congresses, professional and business clubs, trade guilds and labor unions, may be found in the Negro communities.

The Negro is well provided with national and state organizations for self-help. He has professional and business clubs, charity organizations, social settlements and centers, neighborhood clubs, benevolent associations and institutions devoted to social functions.

## FIFTY YEARS OF NEGRO PUBLIC HEALTH

BY S. B. JONES, M.D.,

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At the present time arguments are being brought forward by responsible, and sometimes by irresponsible, persons that the Negro race in the United States is fast dying out. In proof of this it is claimed that the race shows an increasing death rate, a declining birth rate, the influence of alcoholic and sexual intemperance, and, in particular, a racial predisposition to tuberculosis and pulmonary diseases. Now if accurate vital statistics of the whole Negro race in the United States for a century or more were procurable, it might be possible to determine whether this opinion is founded upon facts or not; for vital statistics, furnishing exact information concerning the birth rate and the death rate would enable impartial investigators to predict with tolerable certainty the survival or the extinction of this race of people.

But even this course might fail to give correct information, since, satisfactory though the statistical method might be, it should be remembered that behind and beyond its facts and deductions lies a vast territory, covered over with a maze of social and economic problems of vital importance to the Negro race and to the whole nation. An enormous infant mortality may conceal the criminal negligence of parents, the heartless indifference of municipalities, or an economic slavery depriving the infant of its right to be well born. Reading between the columns of figures setting forth a large death rate from tuberculosis, one may detect the tragedy of human tribute paid for the maintenance of city slums and alleys, for ignorance and poverty, for debauchery or for the ambition of youth that overestimates the physical means for its realization. In connection, therefore, with the vital statistics of the Negro race these human problems must be considered, for a resolute attempt at their solution is certain to change the interpretation that is now placed upon them.

No accurate statistics exist by means of which the health of slaves fifty or sixty years ago can be estimated. A common belief

prevails that during the period of slavery the death rate of the Negro race was less than that of the white race, its infant mortality lower, and its specific death rate from tuberculosis infinitely less. With certain limitations it is reasonable to suppose that this may have been true. No doubt the first generations, which had been sufficiently hardy to survive the dreaded Middle Passage and that first period of increased mortality incident to the acclimatization of a tropical people in colder regions, under the stimulus given to the production of a marketable product—human flesh—excelled the white race in fecundity. A life in the open air, cabins with wide fireplaces allowing for thorough ventilation, the nursing of children by their own mothers tending largely to a low infant mortality, a religious exaltation and unflinching optimism—all these were causes which, in the absence of definite statistics to the contrary, might go far to justify the conclusion of Hoffman that “the higher rate of increase of the colored population during the period preceding the war would indicate that during slavery the mortality was not so high, at least not in the United States, as it has been since emancipation.”

In the light of modern knowledge the comparative absence of tuberculosis among the Negroes can be easily explained. The masses of Negroes did not come into contact with their white masters in their houses, and were consequently not exposed to the germs of that disease which is preëminently a house disease. The only portion of the slave population which might acquire the disease was the house servants, who were in constant association with them, and whose children might carry the malady in a latent form which would terminate as they grew older into the severer type or undergo a natural cure. For economic reasons such persons of the slave population as contracted tuberculosis were forced to work, and this brought about speedy death or happily resulted in a process of healing.

The following statistics in regard to health conditions among Negroes during that time are interesting and instructive: In the war period, 1861–1865, there were examined 315,620 white recruits and 25,828 colored for enlistment in the army. The number of rejections of white recruits exceeded that of colored in all forms of diseases, the figures being 264 as against 170 per thousand. In the case of consumption the rejections of white recruits exceeded those of colored recruits, the figures being 11 in the white to 4 per thousand in

the colored. But the rejections of colored in the case of syphilis exceeded that of the white, the figures being 7 to 3 per thousand; and in scrofula 3 to 2 per thousand. Dr. Buckner, quoted by Hoffman, states that of the 1,600 Negroes examined by him, "very few were rejected, not perhaps more than 10 per cent. Tuberculosis is very rare among them."

Right here a few deductions may be made. The excess of scrofula is highly significant, for the modern physician knows that it is simply a mild form of tuberculosis affecting the lymphatic glands. It is the forerunner of the more serious forms of the great white plague. The white race had reached the point where it was to acquire a comparative immunity from tuberculosis; the black race must now in its turn pay the price which all civilized nations and races had paid for progress and the varied activities of city life. With the tuberculization of the black race its mortality rate will increase until it also reaches at a later day a comparative immunity.

With the close of the war a new era began. The white race resolutely faced reconstruction with the usual courage and energy of Anglo-Saxons determined to win a victory from every defeat. Four circumstances were in its favor: it had advanced far enough to acquire a partial immunity against tuberculosis; the menace of syphilis was growing less; its death rate was decreasing; its birth rate was rising. For the Negro race it was a time of storm and stress, of unsettled political tendencies, of chimerical ambitions and social unrest. Economic distress by lowering its vital resistance made it an easy prey for the inroads of disease, which increased continually because of ignorance and of poverty, of ill-advised schemes of emigration and of overcrowding in large cities. A high infant mortality was the result. The fecundity of the race was diminished while that of the white race increased. Rickets became the characteristic infantile disease of the race; pulmonary tuberculosis of its youth. It was the period of scanty hospital facilities and inadequate medical attention. To the physical discomforts of disease was superadded a nervous tension as the race, with varying success, strove to adjust itself to the larger life of individual and racial freedom.

Such were the conditions which, for about the space of twenty-five years after emancipation, confronted the American Negro. The succeeding twenty-five years is the period of vital education or, in other words, of practical education directed towards the things of

life and marked by the founding of industrial schools throughout the South which accomplished incalculable good in the direction of public and private hygiene. By their insistence on the common things of life like tooth brushes, bed linen free from vermin, water and soap, suitable hours of rest and work, advice of competent medical authority in times of illness, they undoubtedly decreased the death rate among the youth of the race directly and indirectly affecting the death rate at large. By their community work they improved the conditions of the people about them. Under their influence good homes were built; family relationships became more stable; while concubinage and promiscuity, though still existing, were placed under the ban of the moral law. As a *modus vivendi* out of the political situation was found, the apprehensions of the Negro became less, and he vigorously directed his attention towards securing his share in the improved economic prosperity of the South. Under these circumstances the mortality rate is expected to decline, and it does decline. It decreases from 30 per thousand in 1900 to 24 per thousand in 1910. At the same time the population increases 11.3 per cent without the help of immigration, an increase which Dr. Thomas Jesse Jones, of the bureau of the census, describes as a rate "equal to that of representative European countries." And when it is remembered that the bureau of the census estimates that the death rate in the country districts is about two-thirds of that in the cities of the registration area, the conclusion of Hoffman, for the present at least, cannot be true that "the mortality rate of the race is on the increase."

It was the period also in which more distinctive agencies for the reduction of Negro mortality appeared: colored medical schools and hospitals and nurse training schools were established; Howard, Meharry, Leonard and Flint sent out their graduates to reduce the death rate. These men and women were teachers of hygiene as well as practitioners of medicine. At times they had to perform the duties of nurse as well as physician. Regarded with suspicion in the earlier days, they steadily overcame the prejudice of their own race, in many cases being given the helping hand by Southern white physicians, and so were enabled to perform a mission which no other than Negroes could satisfactorily perform. The late president of the Virginia state board of medical examiners once said to one of these men: "It is the colored physician who can best serve the

colored people. We can help, but not as much as the colored physician." The 909 physicians in 1890 increased to 1734 in 1900 and now probably number over 3600. Equally active in the reduction of the mortality rate has been the trained colored nurse. Not only to her own race has she been of service, but also to the white race. Freedman's training school for nurses established in 1862 has been followed by the founding of more than 65 hospital and nurse training schools in thirteen Southern, four Western and three Northern states. In Birmingham, Ala., in Chicago, Ill., in Norfolk, Va., in Wilmington, N. C., visiting nurses are assisting in the reduction of the mortality rate by attending the sick, by advising those who are well as to the methods of preventive medicine, and in a few instances conducting classes in home nursing for the older girls in the public schools.

Within the last five years attention has been directed specifically towards the reduction of the high death rate. Negro physicians and teachers, some enlightened pastors, graduates of literary and industrial schools, are all united in the determined efforts they are making to reduce the Negro death rate, especially the death rate from tuberculosis. Splendid assistance and generous coöperation have been extended by white physicians and public health officers who, by lectures to schools and churches are emphasizing, as never before in the history of the nation, the importance of public health to the Negro.

At first this progressive movement took shape as anti-tuberculosis leagues, formed mainly through the efforts of Dr. Wertenbaker of the Marine Hospital Service in several of the Southern States; but its scope is being enlarged to include health clubs in which are discussed problems relating to disease, sanitation, insurance and public health. Admirable work in this direction is being done by the annual conferences at Atlanta University, Hampton and Tuskegee Institutes. The Agricultural and Mechanical College of Greensboro, N. C., has a model health club and gives advice to all students who are anxious to establish similar clubs in their communities. As a whole the school superintendents are active leaders in this movement; and the time is fast approaching, if it has not already arrived, when health talks in the public schools by teachers or physicians will be held to be as important as the lesson in arithmetic, the caning of chairs or the making of bread.

In spite of this favorable outlook there still remain several important problems claiming attention. Undoubtedly tuberculosis is the greatest of these. Viewed at a long range it is not as serious as may be thought, being reducible to the general formula of problems which races must encounter in their upward advance towards civilization, a process which usually involves a large death rate. The immunization which civilized races have obtained through this process has not yet been carried sufficiently far to protect the Negro; but there are signs of improvement even in this direction, for the death rate per hundred thousand in the registration area in 1890 was 546; in 1900 it was 485; while in 1910 it fell still lower to 405. Though primarily a problem of public health, it is also one of sociology, since the restriction of the Negro to certain areas in cities where housing conditions are bad, the limited choice of occupations and intemperate habits, all tend to increase the death rate from tuberculosis. But notwithstanding these discouraging features it seems probable that the tuberculization of the Negro has already reached its maximum and with the application of the remedies of various social agencies a decline in the mortality rate from this disease may now be confidently expected.

The problem of infant mortality is also a grave one. For improvement in this respect one must look to the forces of education which are at work for the establishment of permanent family life, for knowledge of the laws of hygiene, for public health officers who will insist on improvement of sanitary conditions in Negro sections of large cities.

The problem of hookworm infection has proved to be a negligible one. Dr. Wyckliffe Rose, administrative secretary of the Rockefeller Sanitary Commission, states that "all statistics thus far go to show that the infection is much lighter among the colored population than among the white. There seems to be some degree of racial immunity. The men report excellent coöperation on the part of the colored people. They have examined the students in many colored schools and have examined and treated many colored people at the dispensaries." However, the commission appointed by the National Medical Association of Negro Physicians to investigate the prevalence of this disease among the colored people insisted that while it is true that the large part attributed to the race in the

spread of the disease was incorrect, the special problem was a part of the larger one of sanitation and preventive medicine.

The problem of venereal diseases is extremely important, nor is it one which may be lightly disregarded. It has provoked much discussion among Negroes and members of the other race. "The Negro and His Health Problems," by Dr. J. Madison Taylor (*Medical Record*, September 21, 1912) and "Venereal Diseases in the Negro, with Special Reference to Gonorrhea," by Dr. John C. Rush (*Medical Record*, May 31, 1913) are articles which would have been more valuable to the scientific student had the comparative method been employed, and the problems of the Negro considered as part of the general problems of the human race and subject to the same laws of social development. Interesting discussions might arise out of the two articles, but this is not the time nor the place for such. The curious reader, confining himself strictly to the question of venereal diseases among Negroes, might compare with these Dr. Wolbarst's article in the *Medical Record* of October 29, 1910, from which it will appear that these are particularly human, and not racial, problems with which the whole nation is called upon to deal.

That the danger is not underestimated even by Negroes is apparent from the statement that "there is among Negroes a constant excess of venereal disease among unsuccessful applicants" for the United States Army. Coming from such a responsible source as the volume on *Health and Physique of the Negro American* (No. 11, Atlanta University Publications, p. 68), this statement deserves serious consideration. From the medical point of view its prevalence among enlisted men points to the syphilization of the race as one of the prices it must pay for entering upon the heritage of civilization; from the sociological it is an omen of grave import to the race and the nation at large. The remedy lies in such measures as are being taken to combat these diseases among the white race: instruction in sexual matters to the youth, as advocated by the American Federation of Sex Hygiene; an awakened public conscience; and a pride of race which holds of paramount importance the physical interests of the generations that are yet unborn. Fortunately there are already signs of progress. In several of the Southern colored colleges regular and systematic lectures are given by the college physicians on this vital subject, and the students are shown the perils of extra-conjugal sexual relations. The remedy proposed



by Dr. John Rush of Mobile, Ala., is the one that will commend itself to thinking Negro educators and physicians. He says:

Do away with so many creed teachers and give them teachers on sexual psychology and hygiene, beginning from the time they are twelve years old, and taught until their education is finished. It is a great pity that some of the large-hearted philanthropists who bequeath fortunes for the education of the Negro do not specify that about one-half of the amount donated be used in establishing such courses of study. Not only should these branches be taught in Negro schools and colleges, but in the institutions of learning for our own young people. This has been the fault in our white schools and colleges, not only in the South, but all over the United States. They have failed to teach young men how to live, and by this I mean they have allowed them to go on ignorant of the sexual side of life except as it could be learned from a fellow-student's personal experience.

To sum up: In the course of the past fifty years the Negro race has had to contend against the hostile forces of ignorance, poverty and prejudice while adjusting itself to the new conditions imposed by the life of freedom, and consequently its mortality rate has been excessively high, due largely to pulmonary tuberculosis and infant diseases; but now a marked improvement is apparent, and its mortality rate is declining with that of the general population. With this conclusion the recent report of the United States bureau of the census agrees. In Bulletin 112, *Mortality Statistics 1911*, the following gratifying statement of the progress made in this direction occurs:

The differences between the death rates of the native white population of native and foreign parentage and the foreign born white population should not be interpreted as essential racial differences, but rather as due to economic and other social causes. The same reasons may explain the high death rate of the colored or Negro population as compared with the white population. The death rate of the colored population of the registration area as a whole in 1911 (23.7 per 1,000), although much higher than that of the white population (13.7) is lower than the rates of the great majority of European countries up to the last quarter of the nineteenth century and could undoubtedly be reduced to a figure which would more closely approximate, if not equal, the death rate of the white population.

Various agencies are at work in promoting better conditions of public health: there are the literary and industrial schools, skilful Negro physicians, trained nurses and devoted teachers, interested state boards of health, and an enlightened public sentiment.

It is true that great problems still remain, such as those of

tuberculosis, an excessive infant mortality and venereal diseases, yet just as the nations of Europe survived these dread scourges with far less knowledge of sanitation among their wisest scientists than is possessed by many a Negro school boy or girl today, so the chances of the survival of the race seem exceptionally hopeful.

As economic prosperity increases, a decline in the city birth rate is to be expected, as is the case with the most progressive and civilized nations of the world; but no evil results are to be apprehended from this in view of the present declining death rate and a rural population actively settling the farm lands of the South, and, as is customary with such a population, steadily increasing in fecundity.

Who fears to face another fifty years with all these forces at work for the permanence of the race? Only the pessimist doubtful of the value of education. Under that banner the best for the Negro race has been accomplished while the battle cry changed from books to tools, from classrooms to workshops, from the theoretical to the practical. Now another battle cry is sounding louder and more insistent: it is the battle cry of physiological teaching directed towards the prolongation of life and the diminution of human suffering, for without sound health the finest classical education and the most useful industrial training avail nothing. The battle is being fought with united armies on a territory where all may operate—the field of public health. The need of the hour, so far as Negroes are concerned, is for systematic and organized effort directed towards the problems of sanitation and public health in all colored schools and colleges, in all churches and communities, in fraternal societies and in private families. It is not too much to expect victory for a race, which, in fifty years, has reduced its illiteracy from an estimated percentage of 95 to one of 33.3 as given by the census figures of 1910. Let the teaching of general elementary physiology, including sex physiology, and sanitation be placed on a rational basis in all colored schools and colleges, in the hands of men and women thoroughly trained and with full knowledge of the health problems named above, and there can be little doubt that the issue of the conflict will be such a rapidly declining death rate and reduced morbidity as will astonish the civilized world.

## NEGRO HOME LIFE AND STANDARDS OF LIVING

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Before the Civil War there were, generally speaking, two classes of Negroes in the United States, namely free Negroes and slaves. After the Civil War and the abolition of slavery, the plantation Negroes remained, for the most part, upon the soil and formed a class of peasant farmers. This class, which represented 80 per cent of the race, constituted the base of the social structure, so far as such a thing may be said to have existed at that time, among the members of the race. Above this there was a small class composed in part of free Negroes, in part of a class of favored slaves, all those in fact whom education, opportunity or natural ability had given material advantages and a superior social position. It was this class which took the leadership directly after the war.

In recent years the number of occupations in which Negroes are engaged has multiplied and the area of the Negro's activities, except perhaps in the realm of politics, has greatly extended. The descendants of the free Negroes and of those slaves who started with superior advantages directly after the war have gone very largely into the professions. They are lawyers, physicians, teachers, musicians, playwrights and actors. One of the highest paid performers on the vaudeville stage today is a colored man. Several of the most successful composers of popular songs are colored. Others are engaged in various kinds of social service. They are missionaries to Africa, secretaries of Young Men's Christian Associations, social settlement workers, and so forth. In almost every instance it will be found that the men and women who have gained distinction in any of the professions mentioned were the descendants either of free Negroes or of a class which I have called favored slaves.

In the meantime there has grown up in recent years a vigorous and pushing middle class, composed of small contractors, business men of various sorts, bankers, real estate and insurance men. The two largest fortunes left by Negroes of which we have any record were made in real estate speculations. Thomy Lafon, who died at

his house in New Orleans in 1892, left a fortune which was appraised at \$413,000 and Colonel John Mackey, who died in Philadelphia in 1902, left property which was valued at \$432,000 and was probably worth very much more, since a large part of it was coal and mineral land in Kentucky.

At the same time, from among the peasant farmers, there has grown a small class of plantation owners. These men farm but a small portion of the land they own, and rent the remaining to tenants, to whom they stand in the position of capitalists. Usually they will run a small store from which they make advances to their tenants. Although there were, among the free Negroes of the South before the War, a certain number who owned large plantations, and some who owned slaves, the Negro plantation owners in the South today have been recruited almost wholly from the ranks of the plantation Negroes. They represent, in other words, men who have come up.

The growth of a Negro middle class, composed of merchants, plantation owners and small capitalists, has served to fill the distance which formerly existed between the masses of the race at the bottom and the small class of educated Negroes at the top, and in this way has contributed to the general diffusion of culture, as well as to the solidarity of the race.

Although the distinction between the upper and lower strata of Negro social life is not so clearly marked now as formerly, the descendants of the different types of antebellum Negroes have preserved, to a very large extent, the traditions, sentiments and habits of their ancestors, and it will contribute something to understanding the social standards, the degree of culture and comfort which the Negro peasant, the Negro artisan, business and professional man enjoy today to take some account of those earlier, ante-bellum conditions out of which they sprang.

The great majority of the slaves were employed in only the crudest forms of unskilled labor. They were field hands, working under the direction of an overseer and reckoned, along with the stock and tools, as part of the equipment of the plantation. Under these circumstances the amount of general culture and knowledge of the world which they obtained depended upon the extent and character of their contact with the white man and with the outside world. This differed greatly in various parts of the country. There

was perhaps, no part of the South where the plantation Negro grew up on such easy and familiar terms with his master as in southwestern Virginia. Here the farms were small; the crops were varied; servant and master worked side by side in the field and lived upon an equality rarely if ever seen in the states farther South. The effects of these ante-bellum conditions may be clearly seen today. There is no part of the South, perhaps no part of the United States where the small Negro farmers are more independent and prosperous, or where the two races get on better together, than, for example, in the region around Christianburg, Va.

The homes of the Negro farmers in this region would be regarded as comfortable for a small farmer in any part of the country. They are frequently two-story frame buildings, surrounded by a garden and numerous out-buildings. The interior of these homes is neat and well kept. They contain a few books, some pictures and the usual assortment of women's handiwork. A general air of comfort and contentment pervades the homes and the community. Nearby there is a little six months country school. You learn, also, that one or two of the children have completed the course in the public school and have been sent away to a neighboring academy to complete their course.

The contrast between one of the homes in this part of Virginia and a similar home in a region like the sea islands, off the coast of South Carolina is striking, particularly if you have come, as was true in my case, almost directly from one to the other. In the sea islands the slaves were more isolated than in almost any other part of the South. The result is apparent in the condition and lives of the Negro people today. Outside of the towns they live, for the most part, on little farms of ten and twenty acres which were sold to them by the federal government directly after the war. These homes are quaint little nests, often curiously improvised to meet the individual necessities of the household. The people are on the whole densely ignorant, but possess a shrewd and homely wit that makes conversation with them an interesting exercise. Among themselves they speak a dialect that is scarcely intelligible to an outsider and they have many quaint and curious customs, some of which may have their source in Africa. Among other things peculiar to the people of these islands are there "prayer houses." These prayer houses are a local institution, older and different from the

churches, which were introduced after the Civil War. Connected with these prayer houses, also, there are religious forms and exercises, older and cruder than those practised in the churches. What is recognized elsewhere as a weakness of the Negro race, and perhaps of all isolated and primitive peoples, namely a disposition to cherish personal enmities, and to split and splinter into factitious little groups, finds abundant illustration here. There are probably more little churches, more little societies, and, if I can judge, more time and energy wasted in religious excitements and factional disputes among the people of the sea islands than in any similar group of colored people anywhere in the South. As is, perhaps, to be expected, where so much time and energy are expended in litigious and ceremonial excitements there is not much left for the ordinary business of daily life. In spite of this fact I am disposed to believe that the home life of the sea island people is more comfortable and quite as wholesome as that of the peasants in many parts of southern Europe which I have visited.

It was notorious, even in slavery times, that the up-country Negroes were superior to the coast Negroes, and this seems to be true today, even of those remote parts of the black belt where the Negroes are still living very much as they did in slavery times. I visited not long ago, one of these isolated little communities, situated on the rich bottom lands along the upper reaches of the Alabama River. The settlement consisted of, perhaps, a hundred families, who are employed during the year on one or two of the plantations in the neighborhood. Ordinarily, on the old fashioned plantations such as these, the tenants would live in the "quarters," as they did in slavery days, or in little huts scattered about on the land they tilled. In this case, however, owing to the fact that the cultivated land was so frequently inundated by spring floods, the tenants of each plantation were located on a little stretch of sandy soil which the spring flood never reached, although it often covered all the surrounding country. This stretch of sand is dotted, at convenient distances, with giant live oak trees, which afford a welcome shade and give the effect of a natural park. On this little sandy oasis are scattered at irregular intervals the homes of the people of the settlement. They are, for the most part, little rude huts with two or three rooms and a few outbuildings. Sometimes there are fruit trees in the garden in front of the houses, with a barn,

pig stys, hen yards, in the rear and on the other sides, the number of these buildings depending upon the thrift of the farmer.

Most of the people who live here have grown up in the settlement or have married into it. At one of the neatest of these little cottages I met a little withered old man, who proved to be the patriarch of the community. His memory went back, I found, to the time when this region was a wilderness. He knew the history of every family in the settlement. A large portion of them were, in fact, his children and grandchildren and he told me, in response to my questions, the whole story of the pioneers in this region and of the manner in which the land was cleared and settled. He himself had never been away from the plantation except for a few months during the war, when he ran away to Mobile. The little house in which he lived was the typical two-room cabin, with a wide open hallway, or rather porch, between the two sections of the house. The interior was rather bare, but everything about the house was clean and neat. A vine grew over the porch, a gourd hung from the beams, and a few trees were in blossom in front of the house.

The other houses in the community are much like this one, some of them even smaller. One of the more enterprising citizens, however, who was, as I remember, the only land owner, has erected a new four-room house. In this house there was a rug on the floor, a few pictures, most of them family portraits, some books, generally what are known as "race books," which contain uplifting accounts of the progress of the race. Besides these, there were several copies of a weekly farm paper, a few government agricultural bulletins and a large framed lithograph portrait of Booker T. Washington. Another thing which distinguished this house from the others was the possession of a screen door, a further evidence that the owner of the house was an exceptional person in this community.

The principal diet here, as elsewhere among the Negro farmers in the South, consists of fat pork, corn bread with syrup, and greens. In addition to this, there are on occasions eggs and chicken and perhaps tea and coffee. A really thrifty housewife, however, knows how to brew tea from herbs gathered in the woods, and at certain seasons of the year there are fish and game in abundance.

The budget of an average Negro tenant farmer as accurately as I was able to obtain it, worked out about as follows:

Rent, two bales of cotton and seed.....	\$150.00
Clothing for a family of six.....	76.75
Groceries.....	125.00
Physician and medicines.....	9.00
"Christmas money".....	15.00
Church and school.....	5.00
Average cost of fertilizer and farm equipment, feed for mule, etc.....	162.75
Total expense.....	543.50
Cash.....	56.50
Total.....	\$600.00

There is always room for a wide margin in these accounts. In a bad season or when cotton is cheap the value of the tenant's portion of the crop may fall far below the estimated income of \$600. With a good season it will amount to considerable more.

The average tenant farmer will spend as much money during the cropping season as the grocer or the banker who is advancing him will permit. An actual month's rations for a farmer of this class is as follows:

Chops, four bushels } For mule and other stock.....	\$7.50
Oats, five bushels }	
Flour, 50 pounds.....	1.95
Meal, one bushel.....	1.00
Meat.....	1.50
Lard.....	.50
Sugar.....	.60
Groceries.....	.95
Total.....	\$14.00

To this must be added \$4 in cash which will make the total cash of the monthly ration for a family of six, \$18. This ration will of course be supplemented by the products of the garden and of the farm. A thrifty farmer, however, can reduce the amount of his purchases at the store to almost nothing. He can raise his own cane and make his own syrup; he can raise his own fodder, and supply himself with pork and corn meal from his own farm. This is what he usually does as soon as he sets out to buy a farm of his own.

There has been great improvement in recent years in the living condition of the Negro farmers in most parts of what is known as the Black Belt. This is particularly true of those sections of the



country where the Negroes have begun to buy land or where they have come in contact, through schools or through agents of the farm demonstration movement, with the influences that are changing and improving the method and technique of farming throughout the South.

Wherever one meets a little colony of Negro land owners and wherever one meets a Negro who has risen to the position of farm manager, one invariably finds improvement in the character and condition of the Negro home. Whenever a good school is established it is usually the center of a group of thrifty Negro farmers. Not infrequently a Negro farmer, who has acquired a little land or a little money, will sell his property and move to another state or another county in order to obtain good country school accommodations for his children. Macon County, Alabama, for example, in which the Tuskegee Institute is located is said to have more Negro landowners than any other county in the South, and very many of these have come into the county during the past five or six years since an effort was made by the Tuskegee Institute to build up and improve the country schools in that county. A large proportion of colored farmers in Macon County live at present in neat four- and five-room cottages. The standard of living has been appreciably raised in this and neighboring counties.

Census statistics show that the number of Negro landowners is increasing throughout the South about 50 per cent more rapidly than the white. Ownership of land invariably brings with it an improvement in the stability and the comfort of the home. The number of large landowners and farm managers is likewise increasing. Recently I visited the house of a Negro "renter" in Georgia. He was, in fact, not the ordinary tenant farmer but rather a farm manager. He himself farmed but a small portion of the land he rented, subletting it to tenants over whom he exercised a careful supervision. He was a man who had never been to school, but he had taught himself to read. He was living in a large comfortable house, formerly occupied by the owner of the plantation. This man was not only a good farmer but, in his way, he was something of a student. Among his books I noticed several that had to do with the local history of the country during slavery times, which showed that he had an amount of intellectual curiosity that is rare in men of his class. This was further shown by his eagerness to

talk about matters of which he had read in the newspapers in regard to which he wanted more information. He had, as I remember, about \$5,000 in the bank and was looking forward to purchasing very soon the plantation upon which he was living.

I have frequently met Negro farmers, old men who had come up from slavery, who owned and conducted large plantations, although they could neither read nor write. One man in Texas, who owned 1,800 acres of land told me that, until recent years, he had carried all his accounts with his tenants in his head. Finding however, that, as he grew older, he was losing his ability to remember he had hired a school teacher to keep his accounts for him. Sometimes these men who have struggled from the position of peasant to that of a planter live in much the same way as their tenants. But the next generation is usually educated and learns to spend, even if it has not learned to make.

In the North, as might be expected, Negroes farm better and live better than they do in the South. One of the most successful farmers in the state of Kansas is Junius G. Groves of Edwardsville, Kans. Groves was born as slave in Green County, Ky. He went over to Kansas with the exodus in 1879. He started in 1882 to raise potatoes on a rented farm of 6 acres. He now owns 503 acres in the Kaw Valley upon which he raised last year a crop of 55,000 bushels of potatoes. With the aid of his sons, who were educated in the Kansas Agricultural College, Groves has applied scientific methods to his farming operations. By this means he has been able to raise his maximum yield on a single acre to 395 bushels. He has recently erected a handsome modern house which a writer in *The Country Gentleman* describes as "a twenty-two room palace overlooking a 503 acre farm." A farmer like Groves, however, belongs to what I have described as the middle class, composed of men who operate on a relatively large scale and with their own capital.

Although the great majority of the slaves were employed at work in the fields there were, on every large plantation in the South before the Civil War those who were employed as carpenters, stonemasons, and blacksmiths. In all the larger cities, also, there were a certain number of Negro mechanics who hired their own time and were given a good many of the privileges of the free Negroes. Negro slaves were also employed as sailors, as locomotive firemen, as well

as in other positions requiring skill and a certain amount of responsibility. Slaves of this class were better treated than the ordinary field hand. They were better housed, better clothed and better fed, and, with the exception of the house servants, were allowed more privileges than the other people on the plantation. At the close of the War, therefore, there were a considerable number of trained workmen among the former slaves. Of all the people who came out of slavery these were, perhaps, as a class, the most competent self-respecting, and best fitted for freedom.

In spite of this fact Negroes have probably made less advance in the skilled trades than in other occupations. The reason is not far to seek. With the growth of cities and manufacturing industries since emancipation, great changes have taken place in the character and condition of skilled labor in the South. The cities have drawn more heavily upon the white than the colored portion of the populations and, whenever there has been a change or reorganization in an industry, the poor white man has profitted by it more than the Negro. The cotton mills, the majority of which have been built since the war, employ almost exclusively white labor and it is only recently that Negroes have anywhere been employed as operatives in any of the spinning industries. In certain occupations, like that of barber and waiter, the Negro has been very largely crowded out by foreign competition.

Labor unions have almost invariably sought to keep Negroes out of the skilled trades. In those occupations, however, in which the Negro has shown his ability to compete and has managed to gain a sufficient foothold to compel recognition, as for example in the coal and iron industries, the timber and turpentine industries and, to a less extent, in the building trades, labor unions have made earnest effort to bring Negroes into the unions and have thus insured for them the same wages and ultimately the same standards of living as prevail among white artisans of the same class.

As a rule the Negro has made less progress in occupations in which he formerly had a monopoly, like that of barbering and waiting, than in new occupations into which he has entered since emancipation. Wherever Negroes have had to win their way by competition with the white man they are, as a rule, not only more efficient laborers, but they have invariably adopted the white man's standards of living.

There are, particularly in every large city as well as in every small town in the South, multitudes of Negroes who live meanly and miserably. They make their homes in some neglected or abandoned quarters of the city and maintain a slovenly, irregular and unhealthy sort of existence, performing odd jobs of one kind or another. Very few colored people of the artisan class, however, live in these so-called "Negro quarters." There are always other quarters of the city, frequently in the neighborhood of some Negro school, where there will be another sort of community and in this community a large proportion of the people will be composed of Negro artisans and small tradesmen. They will live, for the most part, in little three- or four-room houses and, if they happen to own their homes, there will be a vine training over the porch, curtains in the windows, a rug or carpet on the floor. The children who go to school will be neatly and tidily dressed. There will be a few books in the front bedroom, a little garden in the rear of the house and a general air of thrift and comfort about the place.

In the course of time, if the family continue to prosper, the children will be sent to a secondary or high school. The eldest will go away to a normal school or college of some kind, and the eldest boy will go, perhaps, to Tuskegee or some other industrial school. When these children return home they will sometimes go to work to earn money enough to help other younger members of the family to enter the schools which they have attended and thus, in time, the whole family will manage to get a moderate amount of education.

When all the members of the family work together in this way there are the best possible relations in the home. It is in those homes, of which there are unfortunately too many in every town and city, where the father works irregularly and the mother is compelled to do day labor, that one meets idle and neglected children, a large proportion of whom grow up to recruit the shiftless, loafing and criminal class.

As a rule the Negro artisan is thrifty. The following budget is that of a journeyman printer.

Living expenses.....	\$240
Clothing.....	60
Church and school.....	12
Medicine and medical attendance.....	16
Insurance, taxes and interest.....	84
Incidentals.....	48
Savings.....	150
Total.....	\$610

This man lives in a neat five-room cottage which he owns. His wife conducts a little store and in addition to his work as journeyman printer he conducts a little Sunday school paper. He is district superintendent of Sunday schools in the neighboring county, and employs his Sundays in visiting the Sunday schools under his charge and in circulating, incidentally, the paper he publishes, so that, at the present time, his annual revenue is considerably larger than his earnings at his trade.

Negroes who are employed in industries in which the laborers are organized, as for example the building trades and the coal and iron industries, earn more, but, perhaps save less. Negro miners earn frequently as much as from \$100 to \$150 per month. These men live well, according to their light, but they are notoriously wasteful and improvident and, except in those cases where their employers have taken an interest in their welfare, they have made little if any advance in their standards of living over the farm laborers or tenant farmers from which they, in most instances, are recruited.

Among the free Negroes in the South there were, in slavery times, a certain number of planters and slave owners. Some of the Negro planters of Louisiana were wealthy, for four or five of them were said in 1853 to be worth between four and five hundred thousand dollars each. Others were small traders, peddlers, blacksmiths, shoemakers and so forth. In some of the older cities of the South, like Charleston, S. C., there was a little aristocracy of free Negroes, who counted several generations of free ancestors and because of their industry, thrift and good reputation among their white neighbors, enjoyed privileges and immunities that were not granted to other free Negroes in the South.

Not only in Charleston but in Baltimore, Washington, D. C., Philadelphia, New York and New Orleans there were similar groups

of free colored people, who were well to do and had obtained a degree of culture that raised them above the mass of the Negro people, free or slave, by whom they were surrounded. Associated with the free Negroes were a certain number of privileged slaves who were frequently the illegitimate sons of their masters.

It was from this class of free Negroes and privileged slaves that, a little later on, the professional class among the Negroes, the lawyers, the physicians and to a very large extent the teachers, were recruited. It was not until after politics as a profession for Negroes began to decline in the South, that a number of men who had entered politics directly after the Civil War began to go into business. As they had, in many instances, either by inheritance or as a result of their savings while they were serving the government, succeeded in accumulating a certain amount of capital, they frequently went into some sort of real estate or banking business.

About 1890 the first successful bank was started by Negroes. There are now more than sixty such banks in the United States. Either in connection with these banks or independently there have been organized small investment companies for the purchase or sale of real estate and, as the demand for homes by Negroes of all classes has grown rapidly in recent years, the number of these institutions has multiplied.

As business opportunities have increased, the number of Negro business men has been recruited from the professional classes. Very frequently Negro physicians have started drug stores in connection with the practice of their profession, and from that they have gone into real estate or banking.

As the opportunities for Negro lawyers have been small, particularly in the South, most of them have connected themselves with some sort of business in which their legal knowledge was of value—real estate, insurance, saving and investment associations, and so forth.

One of the wealthiest Negroes in the South today started as a physician, made his money in the drug business and in real estate, and has since become a banker. The president of the largest Negro bank in the South, the Alabama Penny Savings Bank, was formerly a minister.

It is in this way that the ranks of the Negro business men have been recruited from the members of the educated classes.

However, the first Negro business men were, not as a rule educated. In the North, before the war, the most successful Negro business men were barbers and caterers. In the South, directly after the war several Negroes who had made small fortunes started in the saloon business. They had been employed, perhaps, as porters and bartenders and eventually went into business for themselves. There were special opportunities in the whisky business, because in the bar rooms whites and blacks met upon something like equality. It was not until recently that the regulators of the liquor traffic in certain cities required separate bars for the different races. Even now there is usually a back door for Negroes. Sometimes, where the bulk of the trade is supplied by Negroes, they have the front door and the whites the back.

In certain other business-like undertakings, in which Negroes have found that they could get better service from black men than from white, Negroes early found a business opportunity which they have since largely exploited. The wealthiest Negro in New York today is an undertaker.

A number of Negroes, who began as journeymen in the building trades, rose to the position of contractors and then became large landlords, living upon their rents. In one comparatively large city in the South the most successful baker and in another, the most successful fish dealer, are Negroes. These men have been successful, not because of any special opportunity opened to them, as in the case of the Negro physician and the Negro undertaker, but because they were enterprising, and knew how to handle the trade. Both these men do the larger part of their business with the white rather than with the colored people.

The president of the largest and most successful Negro insurance company in the South, the North Carolina Mutual and Provident Association, was formerly a barber. In most instances the successful business men have been men with very meagre education and very few opportunities. These pioneers, however, have made opportunities for others and they have accumulated an amount of capital and experience which has laid the foundation for an enterprising middle class, now rapidly advancing in wealth and in culture.

As soon as a Negro has succeeded in accumulating a little money, his first ambition is to build himself a comfortable home.

At first the Negro's attempts at home building are, as might be expected, a little crude. For example, if he plans his own house, he usually puts the bathroom off the kitchen. After he gets a bathroom he will probably want to have some pictures on the walls. The thing that strikes his fancy is usually something in a large gilt frame such as one can buy cheap in an auction store. Then he acquires a gilt lamp, an onyx table, perhaps, and a certain amount of other furniture of the same sort.

If, in addition to a comfortable income, he has gained a moderate amount of education, he wants to travel, and see something of the world. This disposition on the part of the Negro, whenever he can find excuse for it, serves, however, to correct his first crude attempts at home decoration and to widen his views about the value and convenience of a well-planned house. The numerous conventions which every year bring together large numbers of Negroes from all over the country provide an excuse for travel. The fact that it is difficult for Negroes to get hotel accommodations in many parts of the country put upon every colored man who has a comfortable house, the obligation of opening his house to every member of his race who comes well recommended. Some times Negroes who have been a little extravagant in building and furnishing a house are very glad to rent rooms to a select class of travelers. In any case, Negroes are naturally hospitable. They take a very proper pride in their houses, when they happen to have good ones, and are always glad to entertain visitors.

As a result of this custom of keeping open house Negroes are doubtless more disposed than they otherwise would be to take pride in the care and decoration of their homes. There may be something, also, in the explanation which one colored man made for building and equipping a home in a style which seemed a little beyond his means. He said: "We may have been, wife and I, a little extravagant in building and furnishing our house, but the house in which we were born had none of these things, and we are trying to make up to our children what we missed when we were little." The result of this is that for the Negro travel is often an education in home building. In every home he enters he notices closely and when he returns home he profits by what he learns.

Negroes of the better class not only travel a great deal in this country but a considerable number of educated Negroes go abroad



every year and from these journeys they bring back not only many new and happy impressions but also a considerable amount of information in the art of living that they do not have the opportunity to get at home. In the course of time all this experience and information filter down and are used by the well-to-do class of Negroes everywhere.

The number of really cultured Negro homes is, as might be expected, small. One reason is that thoroughly educated Negroes are as yet few in number. The handsomest home I visited was that of a physician in Wilmington, Del. This man was living in a fine old ante-bellum mansion with extensive grounds, which has recently sold, I have been informed, for something like \$50,000. This house not only had the charm of individuality, but it was furnished, so far as I am capable of judging, in perfect good taste. It contained one of the best general libraries I have seen in a private house. The mistress of this house was a graduate of Wellesley College. There are perhaps a dozen other houses owned by Negroes in the United States that could compare with this.

The entertainment in a Negro house is likely to be lavish. No matter how frugal the family may live at other times, there must be no stinting of the entertainment of guests. Not infrequently it will happen that a young colored man who has pinched and struggled to save money while he was getting an education, or while he was struggling to get himself established in business, will spend all his income as soon as he reaches a point where he is admitted into the upper grades of colored society.

One man, a physician in a northern city, with an income which averages between \$5,000 and \$6,000 a year, showed me his bank book covering a period of eighteen years during which time he had spent \$103,000. And yet this same man, during the time that he was working, sometimes as a school teacher and at other times as a house servant on a salary of \$25 or \$30 a month, had saved \$3,000 to put himself through college. Another young man told me that he had saved enough money as a porter in a Negro barber shop, while he was learning the trade, to buy a shop of his own but had lost it, when, after becoming the proprietor of the shop, he was admitted to what he called "society."

It is difficult to determine accurately the income of the well-to-do Negroes in this country. There are two and perhaps three

physicians whose incomes from their practice alone amounts to \$10,-000 a year. There are several lawyers who make as much. A considerable number of men in business or in other professions make considerably more. As a rule, the business men save their money but men in the professions usually spend it.

The average income of a Negro physician in the South is not over \$1,500 but very frequently enterprising physicians will add to their regular earnings by maintaining a sanitarium or private hospital.

The most popular profession among the Negroes is, perhaps, that of teaching, one reason being that, in the past comparatively little preparation was required to enter it. Neither teaching nor the ministry is as popular as it used to be. One reason is the demand for men and women with better preparation; another is the poor pay. The better schools are, however, increasing salaries, particularly those of principals and of a higher grade of teachers. The following budgets indicate the standard of living among the better paid teachers:

1

Budget Estimate for Year.

Insurance, taxes, etc.....	\$168
Living expenses.....	384
Medicine and medical services.....	96
Clothing.....	144
Miscellaneous and incidental.....	66
Literature.....	42
Savings and investment.....	300
Total.....	\$1,200

Living expense does not include vegetables from garden or house rent, which is paid by institution.

2

Allowance to mother.....	\$120
Charity, benevolences and religious.....	150
Property.....	300
Groceries.....	300
Insurance { Life.....	86
Household goods.....	6
Upkeep of house.....	92
Education of sister.....	100
Clothing.....	90
Books, magazines and papers.....	275
	25
Total.....	\$1,452

Fuel, light, house rent furnished by state. Total income between \$1,800 and \$2,000.

The first of these budgets is that of one of the better paid teachers of one of the best of the larger industrial schools. The second is that of the principal of another of these institutions.

Negroes of all classes are willing to make and do make great sacrifices to secure the education of their children, but in the upper classes, where the children are few, they are usually spoiled; while on the plantation, where they are many, the family discipline is likely to be severe.

Home life among the educated and well-to-do Negroes appears as a rule, to be happy and wholesome; but nowhere is this more true than in those families where the parents, though educated, the income is so small that all members of the family are impelled to work together to maintain the standards of living and secure for the children an education, equal, if not superior, to that which the parents have enjoyed.

The Negro has made great progress in many directions during the past half century, but nowhere more so than in his home, and nowhere, it may be added, do the fruits of education show to better advantage than in the home of the educated Negro.

## RACE RELATIONSHIP IN THE SOUTH

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Perhaps the most difficult task which one ever sets for himself is an attempt to understand even imperfectly, much more difficult to trace with any degree of scientific accuracy, the feelings that lie behind any relationships of human beings who are brought into close juxtaposition in life. This is all the more difficult when the peoples brought into such relationship are of widely differing racial types. Here one has no statistics that are accurate, and it is even difficult to get men from either side to express themselves freely. Yet there are certain attitudes which come to the surface in thought and action, which enable the careful observer to sense this inter-racial feeling.

The attitude of the two races in the South towards each other naturally shows three types or tendencies, each corresponding to a rather clearly marked period of history in the development of the South. Of the first two of these attitudes we need speak but briefly.

The first period of race relationship in the South runs from 1619, the time of the landing of the first slaves by a Dutch trading vessel, up to the breaking out of the Civil War. It may be briefly characterized as an era of paternalism on the part of the majority of slave owners, and of faithful, childlike loyalty on the part of the most of the slaves. We are too far away from slavery, and see its evils too clearly to make any attempt whatever to justify it, or even to gloss over its hardships. But if we are to understand the present relations of the races, a word must be said about this earlier attitude. That this period was marked by good feeling on both sides in the vast majority of cases, I believe no honest investigator could doubt. The great mass of slaves were not owned by the big planters and worked in gangs driven by a cruel overseer, but rather they were distributed in small groups, on the small plantations, where they had a large degree of personal attention from both master and mistress. I have known

<sup>1</sup> The author of this paper is a Southern man, trained in a Southern university, and has travelled throughout the South during the last twelve years.

and talked with scores of these faithful slaves, and rarely have I found other than a feeling of deep love and loyalty to that generation of Southern white people, who, although, they were mistaken in the defense of slavery, nevertheless tempered their mistake with a most kindly heart.

These were the days before men's passions had been aroused, and when the better nature of most men—not all—was in the ascendency. This better nature expressed itself in many ways. For one, the Southern church assumed a definite responsibility for the Christianizing of the slaves. In 1860, at the breaking out of the Civil War, the Methodist Episcopal Church South had 327 white missionaries in the field working for the evangelization of the slaves, and the budget of that one church for that year for Negro evangelization was more than \$86,000. All the other Southern denominations were having a large share in this type of work. Bishop W. R. Lambuth, of the Methodist Episcopal Church South, who is one of the best authorities on the Negro, is now saying that one of the greatest pieces of missionary work the world has ever seen was the evangelization of the Negro in this first period of his slavery. This fact is significant to us here only as it shows us what the relation of the whites was toward blacks at this early period. On the other hand, the attitude of the Negroes was one of loyalty and affection—omitting, of course, those who were worked in large gangs under the cruel overseer. No better proof of the truth of this statement could be asked than the simple fact that during all the dark days of the Civil War the Negroes were entrusted with the lives, the property, and the honor of the Southern white homes—and no Negro was found faithless in this sacred trust. Such faithfulness and loyalty were not the fruit of hatred, but of love. If one visits some of the old plantations, with the "big house" and the long rows of whitewashed cabins which flank its sides—one can still find many signs of this kindly feeling between the races. But this particular relationship is gone forever, and we may well be thankful it is. Perhaps some will regret more that the feeling begotten by that relationship has almost as completely disappeared.

The second period of race relationship in the South may be called, for want of a better term, the period of reconstruction. This period extends from the close of the Civil War to the early nineties. It is marked by a growing distrust on the part of the white man, and a growing hatred on the part of the black man. It is one of those sad

and unfortunate periods when all men seem to be in a sense blind. The North felt that the South was attempting to forge a new chain of slavery for the Negro; the South felt that the North was trying to enslave the white man by putting the ignorant and inexperienced into the saddle of government; the Negro was the football between the two, hardly daring to trust the Southern man, scarcely believing in the sincerity of the Northern man—feeling himself ground between two relentless mill stones—and knowing not whither to turn. In all this dark period there are only two redeeming rays of light. One of these consists in the fact that the Negro was never denied a chance in the South to make an honest dollar. Whatever other injustices he may have suffered he was never denied the right to work, provided he had been trained, as most of them had, through the thousands of plantations which were highly practical trade schools. Dr. Booker T. Washington has said in a dozen different ways that the South is and always has been the Negroes' greatest field of industrial opportunity.

The second ray of hope in these dark days lay in the fact that both South and North realized that the Negro must be trained and made efficient. The North poured its thousands of dollars into mission schools, and added thereto scores of priceless and unselfish lives to bring the message, while the South as early as the seventies settled the question, once for all, that the Negro should have a chance for training. In the years that have passed the South has put multiplied millions of dollars into this enterprise which, however discouraging in the past, is now beginning to show signs of rich fruitage.

The terrible results of the period of reconstruction lay in the fact that the old feeling of love and loyalty, trust and helpfulness between Southern whites and Southern blacks was almost entirely broken down, and there was a severe separation of the Southern white man and the Southern Negro. The two grew apart and soon began to be ignorant of the thought and life each of the other. The old intimate relation of the two was gone and nothing took its place. It was but natural that this ignorance should soon breed contempt and later hatred.

This in a word characterizes the first two periods of race relationships. One says they are behind him; another does not care to dwell on them at length. There is no more pitiable piece of demagoguery going than that practiced by some who dwell exclusively on the past kindness of the white man, the loyalty of the Negro, and the horror of

reconstruction, forgetting the present duties that fall to each citizen whether white or black. These things are of the past—and let the dead past bury its dead. We are now interested in what the living relationship is between white and black in the South.

It was not until far into the nineties that the third period of this race relationship began to dawn. With the coming of such men as Chancellor D. C. Barrow of the University of Georgia, Bishop Charles B. Galloway of Mississippi—and, more definitely, with the coming of Mr. Edgar Gardiner Murphy of Alabama—whose book on the *Present South* marked a new era of thought—with the coming of these and others likeminded the new epoch was slowly ushered in. But even the last decade of the last century saw little progress, and the first half of the first decade of our present century was scarcely more than the budding of a larger hope that has been blossoming out into a rose of beauty in these last five years. I do not believe it to be an over-statement that the last five years have seen the growth of sentiment, more constructive work done, more ripening of what before was only unmaturing thought, than in all the time from reconstruction on. It is with a glad heart, therefore, that one attempts to measure in some degree the growth of this idea of brotherhood between the races during these last five years.

As I remarked before, we cannot rely on statistics to guide us here, but must choose, as our guides in estimating present feeling, those events and thought currents that rise to the surface of Southern life. It must be largely the laboratory method of first hand investigation, which will furnish the data for such a statement as this. I shall attempt, therefore, to mention a few events and tendencies which will throw light on the present feeling existing between the races.

1. Perhaps the tendency most easily discerned is the growing appreciation on the part of the Southern white man of a real system of training for the Negro. As before stated the Southern States deliberately set their faces toward such a policy during the seventies. Since that time more than \$200,000,000 have been spent on the Negro public schools, and of course most of this has been paid by the white tax payer, though two corrective words should be said in this connection. First, the Negro is rapidly coming to bear his share of the taxes for education since he now owns property valued at \$700,000,000. The second word is that ultimately the labor which produces wealth

pays the taxes, and the Negro, as the laborer of the South, has always produced much of the wealth which has paid the taxes for education.

But there is a new attitude toward the training of the Negro. Somehow in the past we have offered this training—such as it was—but half way hoped it would not be taken. In fact many have believed that it would be harmful if taken. But I believe we are seeing a new light. We are not only offering a better training to the Negro now than ever before, but we are also eager to see him take advantage of this training and most of us believe in our heart of hearts that he will be a better man, a better citizen, and a more efficient economic factor if he will take all the training offered and more. There is no danger now that the Southern white man will retrench in his plans for developing the Negro race. The demagogues have blasted away at this rock of our faith with all the political dynamite at their disposal but the rock is unmoved. Thanks to the good common sense and the Christian spirit of the South, Mr. Vardaman, Mr. Blease, and others likeminded, who would give to the Negro only what he pays, are fighting a losing battle. The whole South has become convinced that the Negro must have a chance—and in this we are really reaching a sense of democracy which we have never before known.

2. This leads me to a second indication of a growing sense of friendliness on the part of the Southern white man—a new appreciation of the value of naked humanity. Not interest in a man because he is cultured, or wealthy, or influential, but because he is human. This is the basis of all democracy, and incidentally one might remark it is a higher democracy than Thomas Jefferson ever dreamed of. This is coming not only in the South but also slowly, all over the world. It is more than the square deal economically of which we have heard—it is respecting and appreciating and having a friendly attitude toward all humanity. This feeling finds expression in the new hatred of lynching which is growing in the South. We are coming to see that we cannot lynch Negroes and continue to hold our sense of respect for humanity as humanity. In spite of a few demagogues and hot heads who get their names in the associated press as advocates of summary dealings with certain types of Negroes, the determination is growing in the hearts of thousands of the best Southern whites that the lynching of Negroes must stop.

3. There is also a decided movement on the part of the lawyers, business men and others to see that more justice is done to the Negroes



in the courts. All of these things are the outcome of this new respect for the humanity of the Negro.

4. A still further result of this appreciation of the sacredness of all persons lies in the newer forms of social service which are being promoted among Negroes. Never before has there been so much talk about the condition of sanitation in the midst of which Negroes live. Never has the health of the Negro elicited so much attention as now. Never has the housing question had so much careful, painstaking study as has been undertaken within the last five years. The Southern Sociological Congress, which met in its second annual session in Atlanta, Georgia, last April studied six great questions in its section meetings. One of these questions was the Negro life. There were six hundred delegates—including perhaps more than a hundred Negroes who were regular members of the Congress, and at least four hundred of the six hundred delegates were regularly in attendance at the Race Problem section—while the remaining two hundred attended the other five sections. For three days we four hundred—white and black—discussed in a perfect spirit of harmony and helpfulness the big problems of our relation to each other and our basis of coöperation! We discussed health, housing, sanitation, education, religious life, economic progress—all in the spirit of constructive coöperation between the races. Both Negroes and white men entered into the discussion, and the feeling of cordial helpfulness was the most remarkable evidence of a new fellowship and appreciation. One could enlarge at length, not only on the importance of the study of these problems, but also on what is more significant—the coöperative study which the two races are undertaking together. It marks a new era. It is the return of the old confidence of the first era of slavery without the handicaps and evils that burdened that period.<sup>2</sup>

5. One must pass quickly to another indication of the better relationship between the races, found in the eager attention given by Southern white college men to this whole topic. Some have felt that this is by far the most hopeful sign of the times, and indeed it is most significant. Some four years ago the leaders of the Student Young Men's Christian Associations in the South felt that something must be done to bring the white college men to know the Negro

<sup>2</sup> For full proceedings of the Congress, write J. E. McCulloch, Nashville, Tenn. Price, \$2.

as he is today, and through that knowledge to bring to the college a spirit of helpfulness. It was felt that the college men were the most open-minded and responsive section of our Southern life, and would most readily accept the suggestion of a thorough study of the whole problem. A volume<sup>3</sup> was, therefore, prepared with this group of men in mind, and was launched through the voluntary organization of the Student Christian Association. The fondest hope of those who were promoting the scheme did not expect that more than one or two thousand college men could be secured to make this study during the first year. What was our surprise and great delight to find that four thousand men enrolled and followed the course with great enthusiasm. To our greater surprise nearly six thousand students enrolled the second year, and a demand came for more detailed information as to progress in the race itself. A second volume has, therefore, been prepared<sup>4</sup> and large numbers of both college men and women have been enrolled in the study of these two books during the past year. Many of the churches are now taking up the study, and in not a few schools these volumes have been introduced into the curriculum study of economics and sociology, as parallel reading. Under the leadership of Dr. James H. Dillard of the Jeanes and Slater Funds, a commission of state university professors has also been organized, which is making a first hand investigation of the whole subject of the uplift of the Negro. The members of this commission are appointed officially by the faculties of these state universities, and hence their findings will have much weight and influence.

6. The outcome of this study on the part of so many of our choicest young men and women in the South, has been not a little first hand social investigation, and even more of social service. In some university centers the white college men organized the Negro men of the city in a study of civil problems, such as health, housing, sanitation, the relation of illiteracy to economic efficiency, the relation of the whiskey traffic to the life of the Negro, and other kindred themes. Seventy-five Negro men were members of this study club, and out of it has grown a Negro city charities organization. In dozens of other college centers Negro boys' clubs have been organized, night schools established, Sunday schools started, lectures on civic conditions given,

<sup>3</sup> *Negro Life in the South*. Association Press, New York. Price, 50 cents.

<sup>4</sup> *Present Forces in Negro Progress*. Association Press, New York. Price,

etc. The Southern white college men are coming to realize this responsibility to help the Negro—not as a Negro, but as a man who has had less chance than themselves, and to whom they should pass on some of their larger life.

7. This leads me to add a sentence about the dedication of Southern life to the problem. It was said earlier that the Methodist Church in the South had 327 white missionaries at work for the Negro at the opening of the Civil War. At that time many of the slave holders prided themselves on the instruction both mental and moral which they could personally impart to their slaves. Davis, Lee, and Jackson, were all conspicuous examples of this. But after the war the Southern white people left this to the Northern missionary and the Negro himself. Now and then an outstanding man like Rev. John Little in Louisville, Kentucky, would dedicate his life to the uplift of the Negro, but their number was small. Now, however, that more study is being done and that a new spirit is dawning, a goodly company of our choicest white college men and women are offering their lives to the uplift of the Negro race. Perhaps no one will ever be able to measure the tremendous contribution of such men as Mr. Jackson Davis, of Virginia, Mr. J. L. Sibley of Alabama, and Dr. James H. Dillard of New Orleans and others who are giving themselves to the building up of the rural Negro schools. They are men out of the heart of the old South, men with high traditions of family, of splendid training, and their work marks an entirely new attitude toward the whole race problem throughout the South. During the last three years quite a number of undergraduate students in our white colleges have deliberately dedicated their lives to the uplift of the Negro race. Hundreds of these young men are definitely planning to have their part of this race uplift, as laymen serving on boards of trustees for schools, members of committees on social service, etc. This is by all means the most hopeful sign of a better day of race understanding in the South.

8. One of the most significant outreaches of the new interest on the part of Southern white men is to be seen in the growth of race pride and race consciousness on the part of the Negro. No race can ever expect to elicit respect and confidence from others so long as it does not believe in itself. If the Negro in the South wants to win the favor and the sympathetic coöperation of the white man there is no surer way of doing this than through the development of his own race

consciousness and race pride. The white people of the South are doing much to develop this spirit. Through a better type of school which makes the Negro more efficient and self respecting; through farm demonstration work which makes the farmer economically independent; through working with the Negro rather than for the Negro in social uplift; and in many other ways the Negro is being helped into self-respecting citizenship. When the Negro has become economically efficient, intellectually more advanced, racially self conscious, there will be far less friction, for he will then feel as the white man feels that racial integrity and social separation are best for both races. Indeed most of the best trained Southern Negroes I know at present feel as the white man does about this matter—that each race can make its largest contribution to humanity if it develops its own race life and race consciousness. It has been the fear on the part of the Southern white man that development of the Negro intellectually and economically would mean race amalgamation. But as this race consciousness grows stronger and stronger in the Negro race this feeling will be allayed and the two races will dwell side by side in a spirit of increasing brotherhood. As a Southern man, trained in a Southern University, living daily in the midst of these vexatious problems, and working every day to bring about better relations, I feel decidedly that the outlook is brighter than it has ever been in our history.

The careful scientific study being made by college students and professors, the new spirit of social service coöperation, the better type of farming methods passed on by the white men to their colored neighbors, the more efficient Negro schools carried on under the direction of our choicest white educators, the growth of race pride on the part of the Negro himself, and the growing respect for personality as such—all these are signs of the dawn of a new and brighter day both for white and black in the South.

## THE WORK OF THE JEANES AND SLATER FUNDS

By B. C. CALDWELL,

The John F. Slater Fund, New York.

These organizations have the same purpose, the training of Negro youth in the Southern States; they have the same director, the president of the Jeanes Fund being also director of the Slater fund; and they have the same offices in New Orleans and New York. They have separate though overlapping boards of trustees.

The Jeanes work is confined to rural schools, and is almost entirely industrial. Most of the Slater revenue is spent for secondary and higher education, mainly academic, partly vocational and industrial.

The Jeanes work, now in its fifth year, entered a new field. From the start it aimed to reach the school in the background—the remote country school for Negro children, out of sight in the backwoods, down the bayou, on the sea marsh, up in the piney woods, or out in the gullied wilderness of abandoned plantations. Nearly all these schools are held in shabby buildings, mostly old churches, some in cabins and country stores, a few in deserted dwellings. I have seen one in Alabama held in a saw-mill shed, one in Mississippi in a barn, one in Georgia in a peach-packing shed, one in Arkansas in a dry-kiln, one in Louisiana in a stranded flatboat, and one in Texas in a sheepfold. For the most part these schools are taught by untrained teachers without any sort of supervision. The equipment is generally meagre, the pay small and the term short. The Jeanes Fund undertook to send trained industrial teachers into this field to help the people to improve the physical conditions and the teachers to better the instruction given the children.

The teachers employed in this work are trained in some kind of industrial work, domestic or vocational. Most of them teach sewing. Next in number are those who teach cooking. Some are graduate nurses, some laundresses, some basket-makers, some farmers and dairymen; and truck-gardening, blacksmithing, carpentry, mattress-making, baking, and shoemaking are among the industries taught by these teachers.

For the current year there are 120 Jeanes teachers at work, in 120 counties of 11 Southern States, Maryland to Texas. Each teacher visits a number of the country schools, gives a lesson in some industry, plans with the regular teacher to give succeeding lessons in her absence, organizes parents' clubs and starts a movement for better school equipment or longer term, counsels the local teacher about her daily teaching, and stirs the community to united effort to better the school. Although paid by the Jeanes Fund, all these teachers are selected by the county superintendent, do their work under his direction and are members of his teaching corps just like the other teachers of the county.

In many counties this spring the industrial teacher gathered specimens of sewing, baking, pastry, basketry, chair-caning, mattresses, shuck mats, garden truck, carpentry and furniture from all the schools of the county and put them on exhibition at the courthouse, at the superintendent's office or other central point. These exhibits were visited by numbers of school patrons, teachers, children and the white school officials and citizens. In some cases prizes were offered by banks, merchants, railroads and planters for the best work in the various crafts.

The industrial teachers are graduates of Hampton, Pratt Institute, Tuskegee, Petersburg, Cheney, Fisk, Atlanta and kindred institutions. All of them are Negroes. Their salaries range from \$40 to \$75 a month, and their terms from six to twelve months a year.

At the outset the entire expense of this industrial work was borne by the Jeanes Fund. After a year or two the county school boards began contributing, sometimes paying the traveling expenses of the industrial teacher, sometimes buying sewing machines, cook stoves and washtubs for the schools, sometimes renting plots of ground for farm and garden work. Last year one or two counties took over the entire expense of the work, and fifteen or twenty undertook to pay half or part of the teacher's salary.

The Slater Fund from the beginning has devoted most of its means to the higher education of Negro youth, mainly with the purpose of training teachers for the primary schools. But almost from the start it has contributed to public school work in town and city with the same general end in view, devoting its entire contribution to these public schools to the establishment and maintenance of industrial and vocational training. At this time more than three-

fourths of the Slater money is still applied to higher school work, mainly urban and academic. But for the past year or two the Slater trust has been experimenting with some new and promising work in the country.

Several years ago a parish superintendent in Louisiana applied to the Slater Fund for assistance in establishing a country high school for Negro children. Almost at the same time a county superintendent in Virginia, another in Arkansas, and one in Mississippi proposed substantially the same thing. In each case the main purpose was to train teachers for the country schools of the county. Trained teachers cannot be had for the pitiful salary paid to country Negro teachers. And each of these superintendents hoped to get a regular and fairly good supply of teachers definitely trained to do the work needed in his county.

The parish of Tangipahoa, La., was the first to undertake the establishment of such a school. Superintendent Lewis named it the Parish Training School for Colored Children, and located it at Kentwood, a village in the piney woods part of the parish. The parish school board supplied the teachers and equipment, the Brooks-Scanlon Lumber Company furnished material for the house and ten acres of land, and the Slater Fund gives \$500 a year for industrial teaching. The school is now in its second year and promises to render valuable service to the parish.

Three similar schools have been established since; one in Newton County, Miss., to which the county, the town of Newton and an organization of colored people contributed; another in Hempstead County, Ark., where a town school supported by state and local funds was converted into a central training school (not county, because there is no county school body in Arkansas), and the funds were raised by the town of Hope, the local cotton men, and the white and colored citizens individually; and a third in Sabine Parish, Louisiana, where a large community school, seven miles in the country, was made the parish training school, supported by the Sabine school board, with contributions of the timber syndicates owning most of the land around the school. In each of these cases the Slater Fund contributes \$500 a year for three years, the contributions to be continued if the results justify the expenditure. There are no precedents to follow in this kind of work. Each of the counties is working out its problem in the way that seems best to

the superintendent and school board. They vary greatly in local conditions, and each will have to feel its way toward the end in view. But all of them are making the training school distinctly agricultural and industrial all the way through the course offered, and some of them are already giving class work and handcraft of real worth.

Every county in the South has felt the need of fairly well trained teachers for its Negro country schools. But so far as I know this is the first time that superintendents have actually gone to work to get such teachers by training them at home. It will take several years to work out the plan; and local school authorities will give their individual stamp to it in each county. But thus far it looks promising; and the end in view goes to the very heart of the whole matter of Negro education.

I need not speak of the well known schools, Hampton, Tuskegee, Atlanta, Fisk, Spellman and the rest, to which the greater part of the Slater income is devoted. But in two of these and in several colored state normal schools the Slater Fund contributes to the maintenance of summer normal schools for teachers, offering good academic and industrial training for country teachers.

Both the Jeanes Fund and the Slater Fund do a little in the way of helping to build school houses. In several counties of Georgia, South Carolina, and Alabama the Jeanes Fund is assisting in the building of one good Negro school house as a sample. In each case the community raises a fund for the house, the county school board gives an equal or larger sum, and the Jeanes Fund gives about one-third of the cost of the house. The Slater Fund contributes to the same kind of work in a limited way, and gives more largely to the equipment of town and city schools for vocational work. The magnificent new building for Negro children above the fifth grade erected by the city of Charleston was furnished with superior equipment for all kinds of hand and power work by the Slater Fund.



## NEGRO ILLITERACY IN THE UNITED STATES

By J. P. LICHTENBERGER, PH.D.,

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The study of illiteracy among the Negroes of the United States constitutes one of the most interesting chapters in the story of their achievements in fifty years of freedom. In most of the slave states, before 1861, it was a criminal offense to teach any Negro, slave or free, to read or write; so that illiteracy in the South among the Negroes at the time of the emancipation was nearly 100 per cent.

While conditions were somewhat different in the North, and educational opportunities were not wholly denied, the number of Negroes who could avail themselves of these opportunities was so small as to affect only slightly the rate of illiteracy for the country as a whole. Conservative estimates place the illiteracy of the race at between 95 and 97 per cent at the beginning of freedom. It is clear that this condition in no way indicates either the capacity or inclination of the race for acquiring education. It indicates merely the status of a people reared in barbarism, transplanted into the midst of civilization, but bearing none of its burdens and responsibilities, and participating in no way in its social or cultural activities. The position of the Negro in the United States as a ward of civilization makes it practically impossible to compare either his situation or his achievements with that of any other race or people in modern times. Whatever progress he has made since the beginning of political freedom cannot be attributed solely to his own desire for knowledge, nor to his inherent capacity, but must be regarded in the light of his imitative ability and the opportunities afforded for his advancement by the white population in the midst of which he has lived.

Under the régime of slavery there was not only this general condition, due to the attitude of the masters enforced by legal enactments, but there was likewise the absence on the part of the Negro of any motive for the acquiring of even the smallest elements of education. At the beginning of the period of freedom, the presence of this untutored race in the midst of American civilization formed an irresist-

ible appeal to philanthropic spirited citizens for the education of this new class of freedmen. Had the Negro been left to himself, it would be difficult to predict what his present status would be. Notwithstanding the mistakes in the earlier period of the reconstruction in educational methods provided by the white population, and notwithstanding the inadequacy, not to say neglect, of Negro educational facilities up to the present time, the Negro has benefited greatly by such opportunities as are afforded by American educational institutions in general.

In order to understand the present problem of illiteracy of the Negro race, a survey of the statistics collected by the census bureau over a period of years needs careful study and analysis. In the following table, several decades are presented for the purpose of a compara-

TABLE I

Class of population	Percentage of illiterates in the population 10 years of age and over			
	1910	1900	1890	1880
Total.....	7.7	10.7	13.3	17.0
White.....	5.0	6.2	7.7	9.4
Native.....	3.0	4.6	6.2	8.7
Native parentage.....	3.7	5.7	7.5	.....
Foreign or mixed parentage.....	1.1	1.6	2.2	.....
Foreign born.....	12.7	12.9	13.1	12.0
Negro.....	30.4	44.5	57.1	70.0
Indian.....	45.3	56.2	45.2	
Chinese.....	15.8	29.0		
Japanese.....	9.2	18.2		
All others.....	39.9	.....	.....	.....

Abstract of the Thirteenth Census, 1910, p. 239.

tive study. This table shows not only the amount and distribution of illiteracy among the various portions of the population, but as well the decline in illiteracy which has taken place in the period from 1880 to 1910, in the various elements of the populations.

Taking up these two principal aspects of the subjects in the order indicated, we find that illiteracy in the Negro group is 6 times that of the white group; or, if we eliminate the persons of foreign birth or extraction, 10 times as great; there being 3 illiterate persons in every 100 native white persons and 30.4 illiterate persons in every 100

Negroes. This comparison is wholly misleading and unfair in view of the distribution of the races.

Two main phases of this distribution must be considered. First, the geographic situation and second, the urban and rural conditions.

The following table is presented in order to show the relative statistics of illiteracy of persons 10 years of age and over in the different sections of the country for 1910.

Here we discover that Negro illiteracy in the North is not greatly in excess of white illiteracy in the South, the figures being respectively 10.5 per cent and 7.7 per cent, while in two of the southern

TABLE II

	All classes	Native white of native parentage	Negro
United States.....	7.7	3.7	30.4
New England.....	5.3	0.7	7.8
Middle Atlantic.....	5.7	1.2	7.9
East North Central.....	3.4	1.7	11.0
West North Central.....	2.9	1.7	14.9
South Atlantic.....	16.0	8.0	32.5
East South Central.....	17.4	9.6	34.8
West South Central.....	13.2	5.6	33.1
Mountain.....	6.9	3.6	8.0
Pacific.....	3.0	0.4	6.3
North.....	4.3	1.4	10.5
South.....	15.6	7.7	33.3
West.....	4.4	1.7	7.0

Abstract of the Thirteenth Census, 1910, p. 243.

divisions it is 8.0 per cent and 9.6 per cent for the white, actually approximating that of the Negroes in New England. The higher rate of illiteracy in the South for both the white and colored portions of the population is attributed to the lack of facilities for securing an education. This at least is given as an explanation for the disparity in the rate of illiteracy in the white population in the two sections of the country. To those who have studied the school conditions, particularly in the South, it seems clear that inadequate as are facilities for white children, those afforded the colored children are much more inadequate. If facilities in the South were equal for black and white children, and as ample as in the North, it is safe to assume that the

rate of illiteracy among Negroes in the South would much more nearly approximate that in the North. This of course would be true of both groups.

In further explanation of the disparity in the rate of illiteracy for the Negro race as a whole as compared with that of the white, it should be remembered that whereas 60.6 per cent of the white population in 1910 was located in the North and 32 per cent in the South, but 10.5 per cent of the Negroes was found in the North and 89.5 per cent in the South. Thus 89.5 per cent of the colored population in the United States shares the inadequate school facilities of the 32 per cent of the white population. Since the illiteracy among the Negroes in the North is only 10.5 per cent while that of the illiteracy of the white population of the South is 7.7 per cent, it is clear that if there was an equal distribution either of population or of educational opportunities, much of the difference in the rates between the races would disappear. In other words, viewing the rate as a whole, it is impossible to show that the difference is fundamentally racial.

A further comparison must be made in regard to the distribution of illiterates between city and country. The following table gives the distribution of illiteracy of persons 10 years of age and over in 1910 in the urban and rural population.

Of the total native white population of native parentage 10 years of age and over in continental United States in 1910, 37.7 per cent resided in cities of 2,500 or more inhabitants, and 62.3 per cent in rural districts and towns of less than 2,500 inhabitants. The illiteracy among the urban native born whites of native parentage was 0.9 per cent. In the rural districts it was 5.4 per cent. This difference in the main is conceded to be due, not to differences in the population under rural and urban conditions, but to the superior facilities for education afforded in urban communities. For example, the small amount of illiteracy among persons of native birth but of foreign or mixed parentage amounting to only 1.1 per cent is explained not upon the basis of race differences between the persons of native and foreign ancestry, but is attributed largely to the fact that persons of foreign born or mixed parentage are for the most part city dwellers, and they have for that reason the superior advantage afforded for education in the cities.

Turning now to the Negro population, we discover that of those 10 years of age and over, 17.7 per cent are urban and 82.3 per cent

are rural. Comparing the percentages of urban and rural conditions, we discover that 17.7 per cent of Negroes share, however unfairly because of racial discriminations, the advantages for education of the

TABLE III

Division and class of community	All classes	Native white of native parentage	Negroes
United States			
Urban.....	5.1	0.9	17.6
Rural.....	10.1	5.4	36.1
New England			
Urban.....	5.6	0.5	7.1
Rural.....	3.8	1.2	16.9
Middle Atlantic			
Urban.....	5.8	0.6	7.0
Rural.....	5.2	1.9	12.2
East North Central			
Urban.....	3.5	0.9	9.7
Rural.....	3.2	2.2	15.8
West North Central			
Urban.....	2.7	0.8	12.3
Rural.....	3.0	2.1	21.0
South Atlantic			
Urban.....	8.5	2.2	21.4
Rural.....	18.9	9.8	36.1
East South Central			
Urban.....	9.6	2.4	23.8
Rural.....	19.4	11.1	37.8
West South Central			
Urban.....	7.2	1.4	20.3
Rural.....	15.2	6.8	37.2
Mountain.....			
Urban.....	3.1	0.9	7.0
Rural.....	9.1	5.1	10.6
Pacific			
Urban.....	2.0	0.3	5.3
Rural.....	4.3	0.6	11.4

Abstract of the Thirteenth Census, 1910, p. 249.

37.7 per cent of the white population, and 82.3 per cent of the Negroes share the rural educational opportunities of the 62.3 per cent of the whites. Much of the illiteracy among Negroes in the United States as a whole is therefore to be attributed to the fact that they are to

such a large degree a rural people, handicapped by the inadequacy of rural educational conditions. It is safe to assume, therefore, that if the distribution of Negroes in regard to urban and rural conditions approximated that of the whole population, or of the native whites of native parentage, that the difference in illiteracy would be considerably diminished. This generalization finds further proof in comparisons between various sections of the country, North and South, rural and urban. In New England, where the colored population is 83.2 per cent urban and 16.8 per cent rural, the rate of Negro illiteracy is 7.1 per cent in cities, or somewhat less than the illiteracy of the entire population, while 16.9 per cent of the Negroes in the rural districts is illiterate. In the east south central division of states, where the native white population of native parentage is 4.2 per cent urban and 95.8 per cent rural, the rate of illiteracy among the whites is 2.4 per cent for the urban, and 11.1 per cent for the rural population. While Negro illiteracy is far in excess of that of the white population in every portion of the United States, nevertheless it is less in urban New England and the middle Atlantic divisions than that of the rural white population in the south Atlantic and east south central divisions.

These facts make it clear that however great the disparity may be in sections where conditions are similar, that, taking the country as a whole, the Negro race being so largely a southern rural people, the comparison between the actual rates of illiteracy for the white and colored populations does not reveal the true state of affairs in regard to the Negro's progress. Notwithstanding the results revealed by sectional geographic comparisons, it still remains true that Negro illiteracy is higher than that of the white population in each section as well as for the country as a whole, just as it is higher for both whites and Negroes in rural districts, as compared with urban districts, and higher in the South than in the North.

The purpose in presenting this comparison has been not to minimize the importance or amount of Negro illiteracy, but merely to show that when due allowance has been made for differences of distribution, much of the supposed evidence of race difference disappears. It seems clear that if equal advantages were afforded in school equipment in urban and rural districts, and if the Negroes were distributed in an equal ratio with the native whites of native parentage in both North and South, the total rate of illiteracy in general, now ten times as great among the Negroes as among the whites, would fall to probably three or four times the amount instead of ten.

Turning now to the decline in Negro illiteracy, it will be observed from the figures in table I that while the illiteracy for the total population declined during the period from 1880 to 1910 from 17.0 per cent to 7.7 per cent, and that of the native whites of native parentage from 8.7 to 3 per cent, that of Negro has been reduced from approximately 70 per cent to 30.4 per cent. The decline of illiteracy among the Negroes shows the same tendency toward diminution as among all the other groups barring the foreign born, except that it has been more rapid. In view of the facts of distribution presented in the previous paragraphs, this decrease has been little less than phenomenal. At the rate of decrease for the period 1880-1910, it will require only a few decades more to bring the rate down to the level of that for the country as a whole at the present time and below that of the foreign born.

The real significance of the decline among the Negroes is best observed by a comparison of age groups.

TABLE IV.—PERCENTAGE OF ILLITERACY IN THE UNITED STATES, 1910

Age period	All classes	Native white of native parentage	Negroes
10 years and over.....	7.7	3.0	30.4
10 years to 14 years.....	4.1	1.7	18.9
15 years to 19 years.....	4.9	1.9	20.3
20 years to 24 years.....	6.9	2.3	23.9
25 years to 34 years.....	7.3	2.4	24.6
35 years to 44 years.....	8.1	3.0	32.3
45 years to 64 years.....	10.7	5.0	52.7
65 years and over.....	14.5	7.3	74.5

Abstract of the Thirteenth Census, 1910, p. 240.

It is interesting to note here that illiteracy among Negro children 10 to 14 years of age is but 18.9 per cent and that the rate does not rise to that of the group as a whole until the age of 35 years or over, and that beyond the age of 45 it is from 50 to 75 per cent. The present generation of Negro children is therefore enjoying greatly improved conditions and is taking advantage of them. Without further improvement, the next generation will show a reduction of illiteracy to approximately 20 per cent.

The present status of Negro illiteracy in the group 10 to 14 years of age, however, when compared with the same age group among the

whites is again unfair, in view of the facts revealed by the figures of school attendance, so far as these figures may be taken as an index of school facilities afforded. The percentage of school attendance of native white children of native parentage in the United States between the ages of 6 to 20 is 65.9 per cent in urban communities, and 67.3 per cent in rural districts. The same respective figures for colored children are 51.7 per cent and 46.1 per cent. In the south Atlantic division, which is typical of the South in general, the corresponding figures for white are: urban, 59.1 per cent; rural, 63.7 per cent; for colored, urban 48.9, rural 46.6. If, therefore, the colored children had an equal opportunity with the white the difference in illiteracy would be still further reduced.

At the present time and with conditions as they are, the illiteracy of Negro children between 10 and 14 years of age is little more than that for the country as a whole for that portion of the population above 65 years of age, and only a little more than double that of the native whites of native parentage above that age. If statistics were available, they would doubtless show Negro illiteracy among the early age groups in the urban North to be somewhat below that of the older age groups in the native white population in the rural South.

Summarizing, a few generalizations may be made:

1. Negro illiteracy throughout the United States and in every geographic division is greatly in excess of that in the white portion of population.

2. When due allowance is made for differences of distribution in which the vast majority of Negroes share the inadequate facilities for education of the minority of the whites, the disparity in the amount of illiteracy is partially explained without reference to racial qualities or ability.

3. The rapid reduction of Negro illiteracy from something above 95 per cent to 30.4 per cent in fifty years of freedom, and constituting the largest element in the diminution of illiteracy for the United States as a whole, is a phenomenal race achievement.

4. Continuous and rapid reduction in Negro illiteracy is likely to continue through improvement of facilities. To the extent to which an equality of opportunity North and South, urban and rural, is secured will the rate of Negro illiteracy decline until it tends to approximate that of the white.



5. If achievement is measured, not in terms of actual accomplishment, but in the amount of progress made from the point of departure, then there may be little ground for complaint or discouragement, but rather a just feeling of satisfaction and of optimism in the degree of attainment toward ability to read and write accomplished by the Negro race in the United States in its fifty years of freedom.

# NEGRO CHILDREN IN THE PUBLIC SCHOOLS OF PHILADELPHIA<sup>1</sup>

By HOWARD W. ODUM,

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That the problem of educating Negro children is not limited in its application to any community, or to the North or South, is now a well recognized fact. That it is of special importance in the study of American education; is closely related to many problems of public policy; and bears directly upon the theory and practice of efficiency in national life, as well as upon race improvement, is not always so well recognized.

At the invitation and with the coöperation of Dr. Martin G. Brumbaugh, superintendent of the city public schools, this study was undertaken by the Philadelphia Bureau of Municipal Research with a view to assisting in the solution of a difficult problem of school administration and efficiency. The inquiry was pursued on the assumption that little could be done unless the subject was approached strictly from the objective viewpoint and prosecuted with as much thoroughness as possible. At the same time it is a practical study and the time and facilities for making exhaustive experiments and anthropometric measurement were very limited. It is urged, therefore, that all facts and conclusions herein presented shall be interpreted<sup>1</sup> accordingly, and that all statements concerning Negro children be interpreted as applying to Negro children as they are today, the product of inheritance and environment.

This paper is, further, a summary of a large body of information. In order to employ summaries with exactness it is necessary to interpret totals, averages, and central tendencies in their relation to the frequencies upon which they are based. It is possible, for instance, to have two groups of a thousand children each, conforming alike to average measurements, and at the same time differing so radically in their conformation to normal distribution as to be almost wholly

<sup>1</sup>Summary from a special study of Negro children in the public schools of Philadelphia made for the Philadelphia Bureau of Municipal Research.

unlike. Such a series of variations not infrequently occurs in exactly those traits, a knowledge of which is essential to an understanding of the groups. In attempting to form conclusions from a general summary, therefore, it is most important to keep these facts in mind. And while it is possible to summarize to a large extent the principal facts brought out in this study of Negro children in the schools, it is also easy to neglect fundamental minor facts that may be shown only in the detailed units of scope and method. With these qualifications the following summary ought to be of value.

The scope of this inquiry included all the elementary schools of the Philadelphia public school system as organized during the months from September, 1910, to January, 1911, the information concerning enrollment and attendance being obtained at that time, and the experiments being made during that period and subsequently. The total number of pupils enrolled in the elementary schools was 154,125, of which 8,192 or 5.3 per cent were Negro children. This enrollment was made from a total number of enumerable children of 241,623, of whom 9,758 were Negroes; and they were enrolled in the 238 elementary schools with their several annexes. The larger study thus includes this total number and the larger comparisons are made between total children and Negro children. The larger group is again variously divided. There were two principal groups of Negro children, those who attend mixed schools for whites and Negroes, and those who attend schools in which only Negro children are enrolled. Again, smaller groups are made the basis of special experiments and minute study, the effort being to approximate in all cases, so far as possible, similar conditions for both white and Negro children, with experiments made uniformly by the same person.

Of the total Negro pupils enrolled in the public elementary schools approximately one-fourth (23.7 per cent) were enrolled in nine separate Negro schools, the remaining three-fourths (76.3 per cent) being enrolled largely in 15 per cent of the total schools of the city. Thirty-one per cent of the schools of the city have no Negro pupils enrolled, 23 per cent have less than 1 per cent, and 20 per cent have between 1 and 5 per cent. The problem of the Negro child is thus seen to rest chiefly upon a relatively small proportion of the schools, and its intensity varies widely in the various schools. Again, the problem varies in the several school districts, being largest in the 4th district where 12 per cent of the pupils enrolled are Negroes, comprising

20 per cent of the total Negro school population, although the district has less than one-tenth of the whole school population. And similarly for other districts. Negro children constitute 5.3 per cent of all children enrolled in the city, but constitute only 4 per cent of all children enumerated in the city, thus showing a higher rate of enrollment than white children. The Negroes have a larger proportion of females in schools than the whites, the former showing only 50.4 per cent girls while the Negroes show 52.8 per cent. The increase of Negro children in the proportion of total population for the last five years was 0.5 per cent and the distribution of these children in the different wards shows a larger scope of the race school problem. The shifting from ward to ward in the school population was a little more than twice as large for the Negroes as for the whites. The proportion of the enumerated whites and Negroes enrolled is about the same but more Negro children remain in schools from fourteen to sixteen years of age. The Negro children show 72.4 per cent of all Negro children from fourteen to sixteen years of age enrolled, and the whites only 59.7 per cent. Ninety-five per cent of Negro children are enrolled in *public* schools and only 74 per cent of white children. The Negro children constitute, therefore, preëminently a public problem.

Further study of distribution shows that a much larger proportion of Negro pupils are enrolled in the primary grades than are white pupils. Of the Negro pupils enrolled 77.8 per cent, and of the white pupils 67.8 per cent are enrolled in primary grades. Again, 4 per cent of the white children reach the eighth grade as opposed to 2.3 per cent of the Negro children. Of the white girls enrolled 33.1 per cent, and of the white boys 31 per cent are enrolled in grammar grades. Compare this with 25.9 per cent of Negro girls and 17.4 per cent of Negro boys enrolled in grammar grades. Negro girls thus remain in school considerably longer than Negro boys. The separate Negro schools enroll pupils chiefly in the primary grades, only 9 per cent being enrolled in the grammar grades. The Negro pupils in the higher grades are thus distributed throughout the mixed schools. While a smaller number of Negro pupils reach the higher grades than the whites, a larger number remain in school to a later age. Only 2.6 per cent of the total pupils of the city remain in school above fourteen years of age, the normal age for the completion of the eighth grade, while 8.6 per cent of the Negroes enrolled are over fourteen years of age. Thus, a large part of the white children finish under age and a

large part of Negro children remain in school beyond the normal age. The Negro girls in school are older than the Negro boys. Among both white and Negro pupils the largest number is enrolled at the age of ten years. But the proportion of Negro children at the ages of five, six and seven is much smaller; and at the ages of fourteen, fifteen, sixteen and seventeen much larger than among the whites. The ages of Negro pupils in separate Negro schools approximate those of the white children. The total Negro children extend in appreciable numbers from six to eighteen years and the whites from six to sixteen. The average age for all children in the schools is 9.3 years and for all Negro children is 10.6 years. That is, the Negroes average a year and a third older than the white children. The differences between the average ages of white and Negro pupils is larger than this in the majority of grades. The following table shows the average age for each grade and the difference between white and Negro pupils.

AVERAGE AGE OF PUPILS BY GRADES

Grade	White children	Negro children	Difference
First.....	6.7	7.6	0.9
Second.....	8.2	9.4	1.2
Third.....	9.5	10.9	1.4
Fourth.....	10.7	12.1	1.4
Fifth.....	11.6	13.1	1.5
Sixth.....	12.4	13.9	1.5
Seventh.....	13.2	14.6	1.4
Eighth.....	13.9	15.5	1.6

The average of Negro pupils in each grade is again compared with the normal age.

"NORMAL" AGE AND AVERAGE AGE OF NEGRO CHILDREN

Grade	Normal age	Average age of Negro pupils	Amount retarded
First.....	7	7.6	0.6
Second.....	8	9.4	1.4
Third.....	9	10.9	1.9
Fourth.....	10	12.1	2.1
Fifth.....	11	13.1	2.1
Sixth.....	12	13.9	1.9
Seventh.....	13	14.6	1.6
Eighth.....	14	15.5	1.5

Whereas the Negro pupils in the eight grade are a year and half over age, the white pupils finish a little under the normal age. Again, in the third, fourth, fifth and sixth grades the Negro pupils average two years older than the normal age, and except in the first grade they average a year and a half or more above the normal age. The average for the Negro children in the sixth grade is exactly the same as that for the white children in the eighth grade.

The Negro children also show a larger average deviation than the white. The following table gives the further comparison between white and Negro children.

Grade	WHITE PUPILS			NEGRO PUPILS		
	Number of pupils	Average age	Average deviation	Number of pupils	Average age	Average deviation
First.....	29,220	6.7	0.8	1,855	7.6	1.1
Second.....	25,378	8.2	0.9	1,648	9.4	1.2
Third.....	24,153	9.5	1.0	1,475	10.9	1.3
Fourth.....	21,685	10.7	1.1	1,095	12.1	1.2
Fifth.....	18,438	11.6	1.0	749	13.1	1.1
Sixth.....	13,516	12.4	0.9	500	13.9	1.0
Seventh.....	9,196	13.2	0.9	308	14.6	1.0
Eighth.....	6,869	13.9	0.9	186	15.5	1.0

From the study of these ages of white and Negro children in the grades it will be seen that there is a high percentage of retardation among Negro children. A summary of the detailed figures of age and grade classifications shows the following facts. With both white and Negro children the highest percentage of pupils above normal age is in the fifth grade. With both white and Negro children the largest percentage below normal age is in the first grade. With white children the highest percentage of normal age children is in the seventh grade while with the Negro children it is in the first grade.

The total Negro pupils show 71.9 per cent retardation, and the white children 38.9 per cent according to the accepted standard which allows one year normal age for each grade. According to a more accurate standard, allowing three years range for each grade, the Negroes show 48.6 per cent retardation and the whites 18.6 per cent. Again, the Negro pupils have 23.2 per cent retarded one year, 21.9 per cent retarded two years, 14.6 per cent retarded three years, 7.9 per cent retarded four years, 3.6 per cent retarded five years, 1.4

per cent retarded six years and 0.2 per cent retarded seven years. The white pupils show 20.2 per cent retarded one year, 11.2 per cent retarded two years, 4.8 per cent retarded three years, 1.7 per cent four years, and 0.5 per cent five years. With both white and Negro children the boys show slightly more retardation than the girls. Negro pupils in separate Negro schools have only 66.7 per cent retardation as opposed to 73.7 per cent among Negro children in mixed schools. The total pupils of all schools show 30.6 per cent below normal age and 30.5 per cent normal, while Negro children show only 8.2 per cent below normal age and 19.9 per cent normal. The 72 per cent retarded Negro pupils of Philadelphia may be compared with the Negro pupils of Memphis, 75.8 per cent, and with 3,670 Philadelphia pupils with defective vision having 75 per cent retardation.

In high schools Negro boys are retarded 60 per cent and Negro girls 74.6 per cent; white boys are retarded 27.4 per cent and white girls 24.1 per cent. The number of Negro pupils in the high school, however, is small. Among the whites there are in the high school about sixty pupils to every 1,000 enrolled in elementary schools, while for the Negroes there are only twenty-one or about 2 per cent. Again, for each 1,000 Negro boys there are ten in the high school and for Negro girls thirty, while for white boys there are sixty-one, and for white girls fifty-seven to each 1,000 in the elementary schools.

Ayres shows that attendance is an important factor in retardation. Having shown the high percentage of retardation among Negro children, it is necessary to inquire into their attendance and promotion. The average attendance for five years among the total pupils of the city was 87.7 per cent and for Negro pupils in the Negro schools 78.8 per cent, a difference amounting to 10 per cent of the total average attendance. The irregularity of the Negro pupils' attendance is made up of lateness, days missed, and late entrance or early leaving school. The white children show only 0.7 per cent of lateness and the Negro pupils show 3.1 per cent or more than four times that of the white children. In no case do Negro schools have as high record of attendance as the average whites. In no case do the white schools show as low percentage of attendance as the average Negro schools. Likewise, in no case do the Negro schools approximate so low a percentage of lateness as the average whites, and in no case do the white schools show so high a percentage of lateness as the average Negro schools. Among

the total pupils of the city 3.3 per cent were reported as remaining in their grades more than twenty months and 0.8 per cent more than thirty months. Among Negro pupils in Negro schools 9.5 per cent remained in their grades more than twenty months and 1.2 per cent more than thirty months. Among Negro pupils in mixed schools 9.2 per cent remained in grades more than twenty months, and 1.1 per cent more than thirty months. That is, three times as many Negro pupils as whites remain in grades more than twenty months, and six times as many more than thirty months. Of Negro pupils in mixed schools 19 per cent remained in grades fifteen months or more and some 25 per cent repeated grades to some extent.

Ayres points out the fact that bad effects of low percentages of promotion increase with astonishing rapidity as each successive decrease of the percentage promoted is made. Thus a difference of 10 per cent in the percentage of promotions is much more than twice as much as 5 per cent. He shows that a difference of seven points in the percentage of promotions, for instance, may cause a difference in the number of pupils with clear records, in each 1,000 pupils, of 220. That is, with a special average of 90 per cent promotions in a case where no pupils die or drop out of school, 480 pupils out of every 1,000 reach the eighth grade without failing, while with an average of 83 per cent only 260 reach the eighth grade without failing. According to this standard of reckoning among the total pupils of the Philadelphia schools 240 pupils of every 1,000 will reach the eighth grade without failure, and among the Negro pupils only about 50 would reach the eighth grade without failure. That is, the percentage of promotions among the total pupils of the schools is 81.8 and among Negro pupils in Negro schools 70.6 and among Negroes in mixed schools 71 per cent. There is, thus, a large difference between the reports of white and Negro children, but little difference between the two groups of Negroes. The largest difference between promotions by grades between white and Negro children are in the first, fifth and seventh grades. Among Negro pupils there is little variation in the different ages of percentages of promotions, and little variation between boys and girls.

The average markings by teachers reported for Negro children were 70; 69 for boys and 71 for girls. However, the range was wide, there being some 5 per cent with grades of ninety, and 25 per cent with grades of eighty. Of the pupils having grades of ninety, the



earlier grades have a slightly larger proportion than the later grades and the girls excel the boys by a small margin. Again, 4.9 per cent of Negro pupils in mixed schools were reported at the head of their class, 20.9 per cent were in the upper quarter, 39.6 per cent were in the middle half, and 34.3 per cent were in the lower quarter. In the numerical rating pupils below the age of thirteen furnish the largest proportion of grades above seventy and likewise higher averages, and the older pupils show a consequent smaller proportion of higher grades, and lower averages. The largest proportion of nineties is found at eight and nine years and the largest proportion of eighties at eleven years. The highest average grade, seventy-two, is found at eleven years, and the averages vary from seventy at seven years of age to sixty-two at seventeen. The girls show a slightly better record in both averages and the number having grades of eighty and ninety.

According to the teachers, Negro children find most difficulty in arithmetic and studies that require compound concentration and prolonged application. Seventy per cent of Negro pupils reported show their poorest work in arithmetic, as compared with 52 per cent of white children. Language, after arithmetic, furnishes the greatest difficulty. Reading and spelling offer comparatively the least difficulties to Negro pupils. Among Negro pupils in mixed schools 32.7 per cent are reported unsatisfactory in deportment and among white pupils 22.9 per cent. Of the Negro children having a grade of ninety or being at the head of their classes, only 14.3 per cent were reported unsatisfactory while more than 40 per cent had excellent deportment. Likewise the deportment of all Negro children having better marks and standing in the upper quarter of class work was consistently better. Again, Negro children coming from better and average homes have better deportment than those coming from the poorest homes. Likewise the poorest class of Negro homes furnish only a small proportion of pupils having the highest grades. Negro girls have slightly better deportment than Negro boys. There is thus a decided positive correlation between deportment and good work. The offenses charged to Negro pupils are many and the correction and the effective training of colored pupils offer a large field for constructive work.

Before forming conclusions from the above facts it is necessary to inquire into their causes and meaning. It should be remembered, too, that there are many exceptions to the totals and averages there reported. That is, in every phase of school life the Negro children

show a tendency to reach or excel the median of the white children, and the range from lowest to highest among Negro children tends to become wider than among the whites. Before inquiring into the specific race differences, as reflected in Negro children and white children, it will be necessary to analyze as many as possible of the environmental influences that tend to change the records made in school. The correlation of the home and social environment, together with present racial influences, with school records will indicate the source of many difficulties which the Negro children have to face. When these influences have been estimated it will be possible to seek remedies for defects which exist under the present conditions and to estimate the extent to which permanent changes are necessary and upon what basis they may be advocated.

The grade distribution, retardation and promotion of pupils are so inter-related that their causes may be considered together. The prevailing practice among children in all public schools tends to cause them to drop out of the elementary schools at fourteen years of age. There are two main causes for this. Fourteen years is the normal age for the completion of the eighth grade, whence children either drop out of school altogether or enter the high school. But if they have not finished at that age the compulsory education requirements permit them to drop out of school at that time. Among the total children of the public schools only 2.6 per cent remain to a later age than fourteen years. Among Negro children 8.6 per cent are above fourteen years of age. Now it has been seen that the average age for total children in the eighth grade was exactly the same as for Negro children in the sixth grade. This age is 13.9 years. The Negro pupil must either drop out at the sixth grade or remain in school to an average age of 15.6 years. This partly explains the smaller number who reach the eighth grade among Negro children and likewise the reasons for remaining in school longer than the whites. That is, if the Negro children dropped out at the age of fourteen as do the whites, there would be no seventh and eighth grade pupils. Now the Negro pupils do tend to drop out, but not all, hence the few who remain to the eighth grade. Again, there is often less incentive offered Negro children to drop out than white children, owing to the limited field of work open to Negro boys and girls at that age. Of course, the question of the aptitude of Negro pupils to do the work of higher grades is an important factor as will be seen, but all should not be ascribed to

this. It is a common fallacy to assume that because Negro pupils are not enrolled in the higher grades, they therefore cannot do the work given in those grades. In addition to the causes which make them retarded and thus cause the elimination by age, there are other factors than those suggested. The separate schools for Negro children offer chiefly work in the primary grades, while the grammar grade Negro pupils attend the mixed schools entirely. It has been shown in some specific instances that Negro pupils attending crowded classes in the upper grades and competing with white children, with what they feel to be unequal odds, owing to their higher age, and discrimination on the part of teachers and pupils, have preferred to leave school rather than attend under these circumstances. And unless there are home influences or age requirements to keep them in school the elimination is easy. This element enters to some extent in all mixed schools and it is not possible to analyze influences to fix the exact amount.

But assuming, first, that the age elimination is largest, it is necessary to inquire into the causes of retardation. This in turn will have a direct relation to the promotion of Negro pupils and hence will throw light on the question of their aptitude to do the work of higher grades. It was shown that the Negro pupils approximate twice as much retardation as the white pupils according to the accepted standard of normal age and that according to a more refined standard they approximate three times as much. Further it was shown that in the majority of grades the Negro pupils are consistently two years behind the white children. Is this retardation due to lack of progress, as is commonly assumed? Or is the slow progress due entirely to lack of aptitude for school work? It was shown in the inquiry that more than one-third of the pupils in the schools were born outside of Philadelphia and largely in the Southern States, especially Virginia and Maryland. Those who thus enter begin late, first because they are accustomed to less schooling in their home communities, and secondly, because the change of residence causes uniform loss of attendance in every school. The retardation begun is accelerated in the adaptation to new conditions and the result is disastrous to progress and deportment. Again, the small number of Negro children in school at the ages of six and seven shows that the Negro pupils uniformly enter school later than white children. In addition to the causes already mentioned, there are various other influences, home conditions and shift-

ing of population, which tend to contribute towards the result. Thus the element of population is large in the process of elimination. Again, the death rate for Negro children is higher than for white children, and consequently the elimination due to this is larger. While this would seem to be overbalanced by the influx of new children, it has been shown that these children only add to the amount of retardation which accelerates elimination.

It has been shown that the Negro children move from ward to ward and hence change schools more frequently than do white children. In the intervals time is lost and work is hindered. To poor attendance is ascribed a large part of the failure of Negro children. Poor attendance has a number of contributing causes. A review of the facts as reported by the trained nurses shows that the Negro children are often left to do as they wish. More than 60 per cent of the mothers work away from home. The children oversleep, or choose their own procedure. They are not infrequently required to run errands, and assist at home before going to school, or for parts of the day. They are hindered by neglect and carelessness, by interference, and by physical results of environment. The extent to which this is true has been pointed out. Poor attendance and a high percentage of lateness affect the quality of work seriously. But home conditions affect not only attendance and lateness but also the actual work in school. The quantity and quality of food and the manner of eating have been shown to be irregular and improper. The Negro children sleep irregularly and insufficiently. They use intoxicants to an unusual extent. They are affected to an unusually large extent with minor bodily afflictions, especially colds, head and throat troubles. Their conditions of bodily hygiene are bad. In some instances they are poorly clad. Thus the very physical basis of attention is undermined.

Again in school, partly as a result of the facts mentioned, partly because of innate traits, and partly because of home and race influences, the Negro children do not apply themselves to their work. Lack of study is often responsible for unsatisfactory work instead of inability to succeed in their studies. Especially is this true of their home study. There are few incentives to study at home, little favorable influence to promote it, and practically no facilities in the way of reading. Again Negro parents are unable to assist their children in most cases and are not always disposed to do so. The mothers and fathers working out, the promiscuous mingling and visiting,

moral and other irregularities noted previously—all these contribute towards the difficulties in the way of Negro children.

In this way many other factors might be correlated with the poor resulting conditions of Negro children in the schools already enumerated. Under existing environment the retardation, attendance, promotions, quality of work and deportment are natural products. Inquiry was made into the home conditions of Negro pupils whose records were high. This inquiry reported only those pupils about whom there was no doubt in their classification. The results showed that the poorest homes furnished only a small per cent and that the best and average homes furnished about equal proportions. There was no verification of the assumption that all bright Negro children are mulattoes.

Some of the causes affecting the present status of Negro children in the schools have been suggested thus at length. Others may be studied from the context. So far as the results of this study up to this point are concerned, there is no evidence to show that Negro children differ from white children because of race. There is much evidence to show that they differ largely—whether because of environment or only in the midst of environment cannot be discussed here. It is absolutely necessary, therefore, to report an exhaustive and scientific study of more exact measurements before any conclusions can be reached in regard to race differences.

But for the present, neither the causes nor the processes serve to change the *condition*. Whatever they are it has been shown that Negro pupils constitute a separate problem of education in the schools and it is necessary to interpret the meaning of facts, regardless of their causes. Then when the more exact causes have been determined it will be possible to know the more exact significance of the facts reported.

It will be seen that the problem of the Negro child has two distinct larger meanings. The first is the effect of the present conditions upon the successful application of the present school system to Negro children. Rated according to the usual standards, it has been shown that the schools are not successful in teaching Negro children. These children are not receiving education approximating their needs either for liberal training or industrial work. It is scarcely possible to place the blame entirely upon the Negro children. The second meaning of the facts has to do with the effect which this slow rate of progress

and over-age has upon the white children, involving the working efficiency of the whole school system. If the eight thousand Negro pupils in the schools, of whom more than 5,500 are retarded, were all grouped together, the problem would involve only about that number of retarded pupils. But these Negro children are enrolled in many schools involving primarily more than 60,000 children. Because of the dull Negro pupils in each class, the teachers claim that the entire class must lose much time and thus the rate of progress and the degree of efficiency are lowered. This repetition of time on the part of the teachers varies from almost 40 per cent in the more difficult subjects to a much smaller amount in easier studies. If this repeated teaching is not given, the Negro pupils suffer and thus add to the already high percentage of retardation. Unfortunately, there is no way of measuring this loss and subtracting the degree of similar losses in the same classes because of dull white pupils, in order to ascertain the median generic loss caused by the retarded Negro pupils in each subject and grade.

It is possible, however, to estimate the number of years lost by Negro pupils in the aggregate. That is, the number of years represented in the total over-age pupils is a measure of ultimate loss which the Negro pupils sustain through elimination and retardation. This loss is not always a loss in expense to the city by any means, for, as has been shown, late entrance accounts for much of the Negro pupils' retardation. It does in every case, however, show the relation between the over-age pupil and the normal pupil, and some inference may be drawn as to the extent to which normal pupils are hindered and loss of time incurred.

If the aggregate years of pupils over-age be calculated for the white children, there would be 87,242 such years or approximately six months for each child reported. If the same aggregate for Negro children be calculated there would be 13,842 such years or approximately twenty-one months for each Negro enrolled. That is, of the total years above normal age for all children, 101,084, Negro children have more than 12 per cent. These years of retardation may not cost a large amount of money, but tax the efficiency of the schools. This cost to efficiency, caused by the retarded pupils, is further intensified by the prejudice existing in the minds of white pupils and teachers. This difficulty may be understood when it is remembered that the white teachers are teaching day after day a group of children in

whom the majority can see few strong points. The full meaning of the present situation cannot be discussed adequately until the studies of exact measurements, comparisons of Negro children in mixed and separate schools according to uniform school tests, and comparison of teaching efficiency in the white and Negro schools have been reported. Meantime it is well to proceed with the second division of this inquiry.

### *Tests of General Intelligence and Mental Processes*

It is perhaps an accepted theory that the influence of environment is much more powerful in the displacement of an individual or group downward than upward. That is, unfavorable environment may easily retard or warp growth, and take away from their highest possibilities the energies that make a high mental or physical development possible. While favorable environment, likewise, has its strong influence in developing mental and physical energies to their natural consummation, it can rarely raise them beyond their natural abilities. Suppose a group of individuals of median abilities be divided into two parts, the one placed under favorable environment, the other under unfavorable environment. The part living under unfavorable environment will furnish a larger proportion of the exceptionally inferior, than will the other group of exceptionally superior; or to consider the individual, a person of only the median ability cannot be raised to the rank of the most exceptional superiority by any environment, whereas, the individual of median ability may often be reduced by environment to the most exceptionally inferior.<sup>2</sup> Now this fact is of special significance in the study of Negro children. On the one hand it lends support to the conclusion that the failure and defects of Negro children may be due only to environment which is unfavorable to their highest development. There is, thus far, no evidence to contradict such a conclusion, while there is much evidence to show that the environment under which Negro children have grown is unfavorable to the development of the mental abilities commonly accepted as superior. But on the other hand, it may lend evidence to the conclusion that no environment, however good and however much of favorable training and positive impetus it might offer, can raise individuals of only moderate efficiency and intelligence to a station of superiority.

<sup>2</sup> See Thorndike's *Educational Psychology*, p. 210.

Now it has been shown that Negro children show a large proportion of inferior inefficiency in certain accepted fields according to certain accepted methods of rating. They also show a certain proportion of apparently exceptional superiority in certain processes and activities. Here again the results indicate, on the one hand, that Negro children conform to the conditions in which environment is the chief factor in determining the results; and likewise, owing to admixture of white blood, and owing to the inaccuracy of measurements, there is no evidence to show that they do not appear to furnish only mediocre native abilities at the best. With only this knowledge at hand, it is absolutely impossible to say how much and of what sort are the innate differences between white and Negro children. So far the inferiority of Negro children in school efficiency has been reported only in terms of very general estimates and the study and correlation of even immediate environment showed sufficient influence to bring about present conditions. But no tests of efficiency in specific processes have been made and no relative standard of intelligence established. It is necessary, therefore, to measure with methods of scientific precision the mental and physical traits of the median group of Negro children and to report the results in terms of objective units. These must then be compared with similar exact measurements of the median white children. Next the exceptionally inferior and the exceptionally superior children must be studied and the nature of the basis of their inferior and superior qualities be ascertained so far as is possible. These measurements must include both mental and physical processes and their combinations and so far as possible the total intelligence of the children. When this has been done it will be possible to rate any differences that may be of long standing, inherent, if not inherited, and upon this base a knowledge of the fundamental needs and perhaps possibilities of the children may be built. Upon this basis, too, may be begun studies of actual racial psychology and important aspects of American education.

First, it is necessary to study mental processes. The list of important aspects of total mentality which might be tested, is almost unlimited. However, certain generally accepted fundamental processes may be tested and their quickness, breadth, intensity and strength ascertained. The physical basis and motor processes may then be studied and correlated. But as a preparation for such inquiry let the total intelligence of the children be measured according to



some accepted and approximately accurate standard. Such a standard should be apart from knowledge gained primarily in the school room, and should test only general intelligence. Such a test is found in the Binet measuring scale of intelligence which furnishes a simple but accurate test for each year up to fourteen years of age. The test for the fourteenth year was entirely impractical but the other tests were used with every precaution for accuracy. The method was the same as that used by Goddard and the tests for Negro children accordingly compared with those made upon whites by Dr. Goddard.<sup>3</sup> The number of white children tested by Dr. Goddard was 1,547 and the number of Negro children tested in this study was 300, the number being unavoidably limited, but the selection a fair chance selection.

Of these numbers the white children showed 21 per cent testing one year above age and 20 per cent testing one year below age, while the Negro children show only 5 per cent one year above age and 26 per cent one year below age. Negro children show 6.3 per cent feeble-minded as compared with 3.9 per cent white children. The figures for the white children conform closely to a normal curve while the upper half of the curve for Negro children is almost entirely wanting. The median for the white children falls within the "at age" period while with Negro children it falls decidedly at "one year below age." Taking three years, one above age, at age, and one below age, as "normal" and plotting the curves the result is almost identical to the similar curve plotted for normal, below and above normal age as indicated in the grade distribution already described, indicating that the school grading and the Binet tests coincide so far as the classification of Negro children is concerned.

The total averages, however, do not represent the tests accurately in the case of Negro children. The Negro children at five, six and seven years test about normal, while the older children test far below normal. Those at five years test 5.1 years, while the fifteen year old children tested only 11.3 years. The average thus goes from 0.1 year above to 3.7 years below age.

The following table gives the average intelligence for each year and the number tested.

Here again it will be necessary to have a larger number of tests, and also to make other tests in order to ascertain the accuracy of the tests for the older children.

<sup>3</sup> See *The Training School*, January, 1910, and 1911.

Further detailed study of the tests for each year reveals other important considerations. The tests for the sixth year were answered by a larger per cent of Negro children of that age than of white children. In the seventh year Negro children were approximately as good as the white, and thence they decrease to the thirteenth year regularly until at that age no Negro children thirteen years of age passed the test. In only the sixth and seventh years could more than 50 per cent of the Negro children pass the test for their ages so that the question is raised as to whether the tests are not misplaced in this instance and whether it is quite fair to use the same standards with Negro children as with white children.

A second general test was given to supplement the Binet tests with better results. The completion method of Ebbinghaus was used

AVERAGE INTELLIGENCE OF NEGRO CHILDREN

Age	Number of pupils	Average age by Binet tests	Average amount backward (years)
5	10	5.1	0.1 (above)
6	33	5.6	0.4
7	42	6.7	0.3
8	45	7.3	0.7
9	36	7.2	1.8
10	37	8.6	1.4
11	33	9.5	1.5
12	20	10.5	1.5
13	23	10.4	2.6
14	13	10.7	3.3
15	8	11.3	3.7

with a view to testing children on their ability "to combine fragments or isolated sections into a meaningful whole."<sup>4</sup> The test was given to white and Negro children from eleven to fourteen years of age. The text contained 93 elisions. The average number correct for the white children was 56.4 and for the Negro children 47.5. Ten per cent of the white children returned incoherent completions and 35 per cent of the Negro children. Thirty-five per cent of Negro children made completion by phrase only as opposed to 10.8 per cent of white children. The mode for white children ranged from fifty to seventy and for Negro children from forty to fifty.

<sup>4</sup> The test is given in Whipple's *Manual of Mental and Physical Tests*.

Next came the tests for "single traits," the first of which was Thorndike's "A" test for simple perception, the results being graded according to the number of "A's" marked regardless of the number omitted. Three hundred and ten white children and 275 Negro children were tested with the result that Negro children showed a higher average of performance and a wider range of variability, the Negro children marking an average of 21.9 and the white children 19.3 while the average deviation for the Negroes was 6.9 and for the whites 4.2. The curve for the white children tends to conform to a normal curve of distribution while that for the Negro children is flat and irregular.

The next test given was Thorndike's "A-t" test for association of ideas, thus taking one step more. The same number of children were tested with the result that white and Negro children are approximately equal in average performance but Negro children again show larger deviations. The average performance of white children was 16.9 and for Negro children 16.6 and the deviations being 3.7 and 4.2 respectively. Here again the curve for white children conforms more closely to the normal distribution, the whites excelling in the mode and average and the Negroes in variability and range.

The next test added to association of ideas and perception, controlled association as suggested in Thorndike's "opposites" test. Here the difference between the two groups was much larger, the average for the whites being 13.2 and for the Negroes 10.5, and still the deviation for the Negroes was 4.4 as opposed to 3.6 for the whites. The curve for white children tends again to normal while that for Negro children is multimodal and very irregular, being exactly the opposite of the whites for whom the test was a little too easy, it being a little too difficult for completion by the Negro children.

The next test combines association of ideas and controlled association with some knowledge and facility in spelling as outlined by Thorndike's misspelled word test. In grading according to efficiency in marking misspelled words the difference was found to be greater than in other tests. The white children have 10.6 per cent who mark from 90 to 100 while the Negro children have only 1.5 per cent. The white children showed only 1.3 per cent who marked under 20 while the Negro children showed 10.8 per cent. The mode for the white children was at 80 and for the Negro children at 30. The average for

white children was 69.6 and for Negro children 50.6 while the deviation for Negro children was again larger than for white children, and the curves are similar to those of other tests. In grading the same test according to the number omitted the same results were noted, a lower efficiency and larger deviation.

Thus in these tests ranging from the simplest to more complex the Negro children tend to decrease in efficiency as the complexity of the process increases, as compared with white children. In the first they excel slightly; in the second they almost equal the performance of the whites; in the third they fall considerably below and in the fourth very much below. In all cases the deviation is considerably larger for the Negro children, thus raising very important considerations.

### *Conclusion*

Further tests and measurements of white and Negro children might have been carried to an almost indefinite extent with profit. But the limit of this study, bounded by the facilities at hand, had been reached, and sufficient data obtained to permit brief summaries, conclusions and discussions of the relative differences between white and Negro children in their school environment.

In considering the data given it must be remembered that they apply to Negro children as they are found today, the product of inheritance and environment, and that the question of inherent *race* traits, in the strictly anthropological meaning, is entirely apart from the present discussion. It is hoped that researches into race differences will be aided by the facts reported in this study, but that is not the main object of this inquiry. If the cumulative influence of immediate and remote ancestry on the one hand, and immediate and remote environment on the other, has been such as to bring about present conditions, it is essential to analyze these conditions and undertake to determine what further influences will bring the best results from continuing inheritance and environment. There can be no doubt as to the problem from the practical viewpoint of efficiency in education or from the viewpoint of accepted principles of education, psychology, and anthropology.

It may be repeated that in a problem of such long-developed standing and complexity, both in itself and in its relation to environment, final conclusions cannot be reached at once. Dogmatic assertions and hasty recommendations should be avoided and the full force

of study and recommendation be directed toward further research and the application of knowledge and means now available.

With these qualifications in mind, conclusions may be reached which will be of value in attempting to solve the pedagogical and administrative problems involved and in placing the entire question on a scientific basis. The study has shown conclusively that there are distinct differences between white and Negro children in all three of the aspects studied, namely, environment, school conditions and progress, and in mental and physical manifestations. The study of home environment shows that Negro children are at a disadvantage, in social and moral influences and in actual physical conditions, comprising food, drink, sleeping accommodations, and general hygienic conditions. In addition to the general social influences of crowded conditions and lower standards, the children are handicapped by poor air, water, food and irregular exercise and rest. Finally they receive little intelligent supervision and coöperation at home in maintaining a continuous connection with school and mental effort, and when leaving school face restricted opportunities for obtaining a livelihood.

The differences in school attendance and progress are equally large. Negro children show much greater retardation measured by both age and progress; a much lower percentage of attendance and higher percentage of irregularity; a lower percentage of promotion and a lower average of class standing. Great as these differences are, the influence of environment alone seems to be sufficient to account for the majority of the results. It appears, therefore, that injustice would be done to Negro children if harsh judgment be passed upon them because they do not maintain the standard of the white children. The fact that the records of a limited number of Negro children equal the records of the best white children gives indication of larger possibilities.

But the differences between the two groups do not end with environment and school progress. The exhaustive study of conditions of school progress indicated that there were differences in kind as well as in amount. The results of the tests, applied uniformly to white and Negro children, show that in their manifestation of general intelligence, Negro children, after the age of eight years, are behind the white children; that in single traits and processes these older children differ from the white children materially; that in comparison with white children the efficiency of Negro children varies inversely

as the complexity of the process; but that in practically all instances the deviations for Negro children are larger than for the white children; and in many cases the individuals among the Negro children range as high as those among the white children. The white children tend always to conform to a normal curve of distribution, and the Negro children tend toward a flat, irregular, and not infrequently, multimodal curve. These facts apply to both normal and backward children.

As far as the data presented show, the differences in physical measurement of height, weight, neck and chest measurements, and temperature, respiration, and pulse, are much less and show less consistency in variation, and appear more traceable to the influence of immediate environment than do other differences.

That these facts are significant there can be little doubt. That they present certain complex problems is entirely consistent with the inevitable results of a long and varied race inheritance combined with an equally varying environment. If, as Professor Boas concludes, "Even granting the greatest possible amount of influence to environment, it is readily seen that all the essential traits of men are due primarily to heredity"<sup>5</sup> and if further "we must conclude that the fundamental traits of the mind . . . are the more subject [than physical traits] to *far-reaching* changes"<sup>6</sup> and "we are necessarily led to grant also a great plasticity of the mental make-up of human types,"<sup>7</sup> it would clearly be impossible for the Negro children to show the same manifestations of mental traits as white children, after having been under the influence of entirely different environments for many generations.

This conclusion also brings with it a great responsibility. The fact that such important differences exist between the white and Negro children and that they have arisen naturally through long periods of growth in different environment, brings with it an obligation to determine the exact nature of the differences, their specific causes, and the means by which a new environment and method may overcome such weaknesses as are found. The fact that the Negro children show great variability in all activities combined with the accepted theory of the plasticity of human types, gives indications of great possibilities in

<sup>5</sup> *The Mind of Primitive Man*, p. 76.

<sup>6</sup> *Changes in Bodily Form of Descendants of Immigrants*.

<sup>7</sup> *Ibid.*

the development of the Negro. But it also characterizes all efforts to deny the existence of fundamental differences between the white and Negro children as inconsistent and harmful to the development of the Negro race, on the one hand, and to the permanent adjustment of conditions on the other.

The importance of these considerations may be emphasized further by referring to certain specific results of the study. For instance, the results of the Binet tests indicated that after the eighth year the median Negro child was unable to perform the intellectual processes commonly ascribed to a normal white child of that age. Apparently the Negro children found it very difficult to go beyond their inheritance of simple mental processes and physical growth. But they exercise to a high degree of efficiency the simple processes which, if coördinated, would lead to a higher degree of general intellectuality. Favorable environment can add nothing; it can only develop the qualities already possessed. If, then, it is possible to know the exact defects in development, and the nature of the traits possessed, it will be possible to develop the inherent energies and qualities in the right channels provided the method of training shall involve sufficient detail and extend over sufficient time. Herein lies the great value of defining the exact differences between the several groups of children involved; for in this way only can efficient training for the development of native energies be provided. This is the basis of the great advance in modern intellectual methods and is entirely in accord with accepted anthropological knowledge.

Responsibility does not end, however, with the effort to provide education which will ultimately develop the children into their highest capabilities. The present and immediate future must be provided for. The great majority of Negro children not only do not enter the high school but also fail to complete the elementary grades. Less than 2 per cent of the Negro children of school age reach the eighth grade. Furthermore, their training to the period of dropping out of school fits them neither for any special work in life nor for competing with the more fortunate and better fitted in society at large. The opportunities for employment of Negro children thus equipped are limited, and they are forced to continue the struggle under even more unfavorable conditions. Add to all the inequalities already mentioned the fact that the standard of excellence, toward which white and Negro children unconsciously strive, is often entirely different. An indi-

vidual among the whites and an individual among the Negroes may each measure up to the maximum ideal of his habitual social and mental horizon and each deserve 100 per cent credit, and yet the objective measure of final achievement may be larger in the one case than in the other. What then, can the school and society expect of children to whom they give neither special training for life nor equal opportunity in the struggle? Here again the basis of improvement is found in the exact definition of conditions as they are and a recognition of their significance.

It follows that from the community standpoint an effort should be made not only to provide proper education and vocational training and guidance, but the present unfavorable conditions should be so remedied as to influence the smallest possible number of children and schools. If the lack of adaptation of children to the curricula is costing the community thousands of dollars annually and is at the same time a hindrance to school efficiency and progress, and if even at this great cost the desired objects are not obtained, can there be doubt concerning the need for a more definite program?



## HIGHER EDUCATION OF NEGROES IN THE UNITED STATES

BY EDWARD T. WARE, A.B.,

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Since 1823 there have been graduated from American colleges about 5,000 Negroes, 1,000 from Northern colleges and 4,000 from colleges established especially for Negroes in the South. Probably as many as 900 of these college graduates have been women. Only 34 Negroes were graduated before emancipation and over two-thirds of these from Oberlin College. The first three American Negro college graduates were from Bowdoin, Middlebury and Ohio. The only Negro institution to establish a college department before the edict of freedom was Wilberforce University in Ohio. The department was established here in 1856, and during its first twenty years eleven students were graduated.

There was no opportunity for higher education of Negroes in the South fifty years ago, and little or no incentive to such education anywhere in the nation. In the South the opportunity and incentive came speedily in the wake of emancipation and the consequent campaign of education. This campaign enlisted many earnest and capable young men and women from the North, who devoted themselves to the work with a fine missionary zeal. They entered the field under the auspices of the American Missionary Association, and other missionary societies. By act of Congress of March 3, 1865, the Freedman's Bureau was created. The commissioner was authorized to "coöperate with private benevolent associations in aid of the freedman." Through this agency great assistance was given to the missionary societies in their work. Under the reconstruction governments public school systems for the education of the children regardless of race were organized. Whatever the mistakes and shortcomings of the reconstruction governments may have been, in the organizing of the public school system at least they built wisely and well.

Through these three agencies—the missionary societies, the federal government with its Freedman's Bureau and the state govern-

ments with their public school systems—the work of educating the freed Negroes progressed rapidly. Further to aid the work there were established two great funds. In 1867 George Peabody gave \$2,000,000 “for the promotion and encouragement of intellectual, moral, or industrial education among the young of the more destitute portions of the Southwestern States of our Union.” This gift was for the benefit of both races. It aided greatly in the development and improvement of the state school systems by which the Negro children benefited as well as the white children. The other fund referred to is the John F. Slater Fund which, when established in 1882, amounted to \$1,000,000. It was placed by Mr. Slater in the hands of a board of trust with large discretionary powers, the specified object being, “the uplifting of the lately emancipated population of the Southern States, and their posterity, by conferring on them the blessings of Christian education.” The income is distributed annually among the Negro institutions whose work commends itself to the trustees of the fund, chiefly to pay the salaries of teachers of manual arts, and partly to pay the salaries of normal instructors. In his letter of gift Mr. Slater suggests as methods of operation “the training of teachers from among the people requiring to be taught, if, in the opinion of the corporation, by such limited selection the purposes of the trust can be best accomplished; and the encouragement of such institutions as are most effectually useful in promoting this training of teachers.” In providing for the ultimate distribution of the fund he says, “I authorize the corporation to apply the capital of the fund to the establishment of foundations subsidiary to then already existing institutions of higher education, in such wise as to make the educational advantages of such institutions more freely accessible to poor students of the colored race.” These quotations clearly show the interest of Mr. Slater in the higher education of the Negroes. The need for “the training of teachers from among the people requiring to be taught” was one of the great motives which prompted the establishing of normal schools and colleges for the Negroes in the South.

The other great motive which prompted the missionary societies to establish colleges for Negroes was simple faith in their possibilities, and belief that to them as to the white people should be open opportunities for the highest human development. Their motive was in no sense utilitarian. It was simply Christian. They looked

upon the Negroes as essentially like white people; what differences there were between the two they considered accidental rather than vital, the result of circumstance rather than the result of race. Only the future could tell what would be the outcome of their venture; still they went forward founding institutions "for the Christian education of youth without regard to race, sex or color," and chartered to do not only college but university work. This was an expression of great faith in the possibilities of the recently emancipated slaves. It was truly democratic and truly Christian. These institutions were at the beginning, because of the unpreparedness of their pupils, devoted largely to work of elementary and secondary nature. Their purpose was, however, distinctly for higher education. The names by which they go and the provisions of their charters testify to this.

As stated above, the college department of Wilberforce University in Ohio was established in 1856. This is the only institution especially for Negroes to establish a college department before emancipation. In Lincoln University, Pa., the college department was established in 1864. Other institutions established these departments as soon as what seemed a sufficient number of their pupils were prepared to take up college studies; Howard University, Washington, D. C., in 1868; Straight University, New Orleans, La., in 1869; Leland University, New Orleans, La., in 1870; Shaw University, Raleigh, N. C., in 1870; Fisk University, Nashville, Tenn., in 1871; Atlanta University, Atlanta, Ga., in 1872. Before 1880 eleven such institutions had established college departments.

The next twenty years were characterized by the rapid multiplication of Southern institutions for the higher education of the Negroes. During this time there developed two other classes of institutions contributing in some measure to higher education: first, those organized, officered and supported by the Negroes; secondly, those generally known as the state agricultural and mechanical colleges. With the growth of the American Negroes in independence and with their practical exclusion from the Southern white churches there developed strong Negro churches and independent Negro denominations. These churches established schools for their own people, under the control of their several denominations. The schools often aspired, sometimes with reasonable success, to be institutions of higher education.

The agricultural and mechanical colleges for the Negroes are institutions supported by the Southern States with that portion of their federal land grant funds which they choose to assign to their Negro citizens. As the name implies these institutions devote their chief energies to industrial and agricultural training. There are also courses for training teachers. The Georgia State Industrial College for Negro youth is of this type. On June 10 eleven pupils were graduated from the academic course and thirty-four from the industrial departments. The Florida Agricultural and Mechanical College gives the degree of B.S. for those who satisfactorily meet the requirements. Some of the Southern States take genuine pride in the state institutions for Negroes and make generous appropriations for their maintenance. In 1912 the Alabama State Normal School received \$17,000 and the Florida Agricultural and Mechanical College \$12,000 from state appropriations. The presidents and teachers of the state schools are Negroes and the salaries paid are frequently better than those paid in the institutions supported by Northern philanthropy.

The number of educational enterprises for Southern Negroes which are doing at least some work of college grade is so great as to be bewildering; and calls for some attempt wisely to discriminate among them and to determine the value of the work they are doing. Three years ago such an attempt was made by the sociological department of Atlanta University in connection with the fifteenth annual Atlanta conference for the study of Negro problems. The report of this study is published under the title "The College-Bred Negro American." More recently, in November and December, 1912, Mr. W. T. B. Williams, field agent of the John F. Slater Fund, made a comparative study of the Negro universities in the South. This was published by the Slater Fund as number 13 of their *Occasional Papers*. From these sources may be gained valuable information regarding Southern institutions for the higher education of the Negroes. The Atlanta study in discussing the Negro colleges makes a classification based upon high school work required for admission and the number of students enrolled in 1909-1910 in classes of college grade, whether in the normal or college departments. There were twenty-three institutions which required fourteen units of high school work for admission to college classes, the amount of work laid down by the Carnegie Foundation for the Advancement

of Teaching as necessary to prepare adequately for college entrance. Of the twenty-three, eleven had more than twenty students of college rank. Nine others were doing work of college grade. The following conclusion was reached:

As has been shown, there are about thirty-two colored institutions doing college work; but the leading colleges according to the Carnegie Foundation units, which have a reasonable number of students are: Howard University, Fisk University, Atlanta University, Wiley University, Leland University, Virginia Union University, Clark University, Knoxville College, Spelman Seminary, Claflin University, Atlanta Baptist College (now Morehouse College), Lincoln University, Talladega College.

Mr. Williams concludes his study of twenty-two Negro universities in the South with the following statements:

A few of these universities or other colleges doing similar work might be taken and so developed as to meet practically all the needs of Negro youth for many years. All things considered, the best six of these colored universities are Howard, Fisk, Virginia Union, Atlanta, Shaw and Wiley. These schools have already been of exceptional service in the higher development of the colored people. Each one has built up for itself a good following. And they are all fairly well located as educational centers for the ampler training of the brighter Negro youth of the South.

It must not, however, be forgotten that, as a study of the facilities for the higher education of the Negro in the South, this consideration of the Negro universities alone is arbitrarily narrow and incomplete. There are at least five other institutions with less pretentious titles doing as advanced and as effective work as seven-eighths of these universities. They are: Talladega College, Talladega, Ala.; Atlanta Baptist College (Morehouse College) Atlanta, Ga.; Knoxville College, Knoxville, Tenn.; Benedict College, Columbia, S. C.; Bishop College, Marshall, Texas. And there are at least a dozen other colleges whose work will not suffer in comparison with that of more than half the universities.

It should be noted that Mr. Williams' study is confined to Southern universities and therefore does not include Wilberforce and Lincoln.

Judging solely from the number of institutions offering college courses one might conclude that higher education for the Negroes was being overdone; but as a matter of fact only a small proportion of the students enrolled in the institutions in question are engaged in college work. Practically all of the colleges have also high school departments. This is made necessary by the failure of the South

to provide in the public schools for the high school education of the Negroes. Most of the institutions also have classes in the grades. Tables compiled by the Atlanta University study show in the thirty-two institutions the following enrollment:

Number of students in college classes.....	1,131
Number of students in high school classes.....	3,896
Number in grades.....	6,845
Professional.....	1,602
Total.....	13,474

Of all students of college grade and below only about 9.5 per cent were enrolled in college classes. A similar study of twenty-two universities by Mr. Williams shows only about 11 per cent enrolled in college classes.

Most of the institutions founded by the church societies offer theological courses though none of them has made the academic requirements very rigid. Mr. Williams reports that "Shaw, Virginia Union and Howard are perhaps doing more than the others to raise the grade of their regular work to that of well recognized theological schools." The Meharry Medical School of Walden University in Nashville enrolled 523 students this year. Two other universities offer graduate courses in law and medicine which qualify graduates to pass state examinations and practice successfully. Their enrollment reported for 1913 is as follows:

	PROFESSIONAL SCHOOLS		
	Theological	Law	Medical
Shaw University, Raleigh....	19	8	156
Howard University, Washington.....	97	121	341

In the four institutions named above there are 1,295 students enrolled in the professional schools, representing the best work of this type done by the Southern Negro universities. Many of the brightest students of the Southern colleges have later graduated in professional studies in Northern universities.

The value of the higher education of the Negroes can be best determined by the record of the college graduates. In making the Atlanta University study, a questionnaire was sent out from which

answers were received from eight hundred Negro college graduates, a number which was estimated as covering about one-fourth of the entire number of living graduates and therefore considered typical of the whole group.

Of the number reporting 53.8 per cent were engaged in teaching, 20 per cent in preaching, 7 per cent in medicine and 3.8 per cent in law; the others were engaged in various occupations. It appears that the largest group is engaged in the work for which the first colleges were founded; they have become "teachers for those requiring to be taught." The three professions claiming the next largest numbers without question demand for the best service the most liberal education possible.

The whole system of public education in the South from the grammar school to the state college provides for the separate education of the two races; and almost without exception the Negro schools are presided over and taught by people of their own race. Most of the private schools of the industrial type and those doing work of secondary grade are also taught by Negroes. It may be said without question that such measure of success as these institutions have attained has been largely due to the teacher training of the institutions of higher education.

From information recently obtained from fifteen of the Southern state normal and agricultural schools it appears that 142 of their 347 teachers, all of them colored, are graduates of colleges. That is, 41 per cent, or about two-fifths of the teachers in the state schools for Negroes are college graduates. Of the 186 teachers and instructors at Tuskegee Institute 45, or 24 per cent, are college graduates. On the other hand there may always be found in the better Negro colleges graduates of the industrial schools who have proved themselves capable of further study. There are now several Tuskegee graduates studying at Atlanta University and several Atlanta graduates teaching at Tuskegee. This suggests that the two types of education are but branches of the same great work, the work of educating a race.

The question of the relative importance of industrial and higher education for the Negroes has led to much fruitless discussion. The truth is that both types of training are indispensable for the proper education of the people; and neither can fulfil its mission without coöperation with the other. The advantage of such industrial training as that offered by Hampton Institute is established beyond the

shadow of a doubt. One of the surest evidences of this is that it is no longer urged as a peculiar method of dealing with Negro youth, but that it has influenced and modified our opinions regarding the whole question of public school training for the children of America, tending to emphasize the organic, vital relationship between education and the problems of every day life. Hampton has been a pioneer in the campaign for vocational training not of the Negroes alone but of all Americans. As a special type of training adapted to the Negroes, it may have had opponents, but as a type of training making for efficient citizenship and specially adapted to the needs of a multitude of American citizens it has acquired a position where its friends and advocates need fear no opposition. There may be those who would allow vocational training to crowd academic instruction to the wall but the true followers of General Armstrong are not among them. And who would argue that because industrial education of this sort is good for white youth the colleges of New England should be turned into industrial or technical schools?

The higher education of the Negroes is quite a different question today from what it was fifty years ago. Like any question involving so large a number of citizens and containing so many human elements, it is a matter of national rather than sectional concern; still it must affect the Negroes and the South more directly than any other part of the nation. There are elements to deal with today which either did not exist or were practically ignored fifty years ago. At that time we did not ask the Negro if he wanted higher education and we did not consult his former master to know whether it was advisable. Northern philanthropy took the Negro by the hand and said, "I know that you have the ability to learn," and then opened before him the door of opportunity.

There were many who ridiculed the effort, saying that it was foredoomed to failure, and among them were people of the South who thought they understood the Negro race and knew its limitations. Today we must work with the Negro rather than for him. How shall we know what is best for the race without taking into our counsels the thousands of its college graduates?

Another element which must not be ignored in any educational effort for the Negroes is that growing class of Southern white people who appreciate the educational needs of the colored people as American citizens and who sympathize with their best aspirations. Dr. W. D. Weatherford, a Southerner and secretary of the Young Men's



Christian Association has organized in Southern white colleges classes for the study of the Negro problem. In 1912 there were enrolled in these classes 6,000 college men. This study has done much to quicken the interest and sympathy of white college students in the welfare of Southern Negroes.

At the second session of the Southern Sociological Congress held in Atlanta last April there was a section devoted to the discussion of the Negro problems. Dr. James H. Dillard presided and Dr. Weatherford acted as secretary. Addresses were made by white and colored delegates and both entered into the open discussions. Some of the addresses most sympathetic to the Negroes and most courageous in their condemnation of the evils of race prejudice were delivered by young professors in Southern white colleges. At the last general gathering of the congress a significant remark was made by a young colored teacher in Morehouse College. He said, in substance, "I have been greatly encouraged by the attitude of sympathy and fairness taken by young men of the white race toward the Negroes in this congress. Nothing can better make for progress than the mutual understanding and coöperation of the young college men of both races." This is certainly true, and the college education of both should help make possible wise coöperation.

And what is the attitude of these two elements—the educated Negroes and the educated Southern white people—toward the higher education of the Negroes? One question asked of the Negro college graduates in the Atlanta University investigation was, "How shall you educate your children?" The report says, "By far the greater number of those making reply are planning to give their children the advantages of a college education, hoping thereby to properly equip them for life's work, whether in the trades or in the professions." Typical answers are, "I believe in educating the child to make the best citizen; a college education to those who will take it," and, "It is my intention to give them the very best education that they can assimilate."

In answer to the question, "What is your present practical philosophy in regard to the Negro race in America?" there were many interesting answers upon which the following comment is made:

A careful reading of the above quotations from the replies of the Negro college graduates discloses on the whole a hopeful and encouraging attitude on the part of these educated men and women. Though hampered by prejudice and its accompanying discriminations as well as by lack of opportunity

these men and women are for the most part hopeful of the future of the Negro race in America.

Of this we may be certain, every Negro who receives a modern college education worthy of the name will be fully aware of the discriminations and injustices that fall to his lot because he is a Negro and lives in America. And it is a question how long he will endure with patience the disabilities under which he lives at present on this account. The answers to the questionnaire make repeated claim to equality before the law, full citizenship rights and privileges, the right to vote and unrestricted educational opportunities. What educated American citizen would demand less?

We cannot expect that all Southern white people, even those who have received the benefits of higher education, will sympathize with the educated Negroes or applaud their sentiments of independence. But there is a growing number who will.

In 1909 the Rev. Quincy Ewing of Napoleonville, La., addressed to Dr. Horace Bumstead a letter from which I shall quote in concluding; for here we have an expression of a Southern white man regarding the higher education of the Negro which will remind us strongly of the noble motives prompting the establishment of colleges for the Negroes fifty years ago.

You are very right to feel that the efforts you and others are making in behalf of Atlanta University have not only my approval but also my applause. I could not feel otherwise except on one of two grounds, viz., that the higher education is not good for a human being; or that the Negro is not really a human being. If he is a human being, he has as much right as I to everything that is humanly uplifting, to everything that makes for a complete and exalted humanness. A denial of the Negro's essential humanness is involved in every argument I have ever heard against his higher education: a denial equivalent to the affirmation, that the Negro should not be what *he* wants to be, not what he is capable of being, but what other people, his superiors, find it agreeable to themselves for him to be.

The untrammelled education of any subordinate race so easily segregated as the Negroes, must be painfully uphill work, until the spirit of true democracy becomes dominant among us; or until the mark of true aristocracy shall be among us, scorn of the idea that one man is born to serve another of a different kind, and love of the idea that every man is born to serve every other of every kind. If there were only some way to get the majority of us educated by the spirit of what is really democracy, or by the spirit of what is really aristocracy—only some way of solving this fundamental problem, all our other educational problems would be the simplest things with which we have to deal!

# INDUSTRIAL EDUCATION AND THE PUBLIC SCHOOLS

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Fifty years ago the Negro people of the United States started out empty handed, without property, without education and with very little knowledge or experience, on a great adventure. Abraham Lincoln's proclamation of emancipation had given them their freedom, and the two war amendments to the constitution had made them citizens of the United States and given them the ballot. With these they started out in the new world so to speak to seek their fortunes which freedom had opened to them.

Although slavery and the Negro had been the real issue between the North and the South in the Civil War, when the war was over the Negro was not without friends in both sections of the country. There were numbers of people both in the South and in the North, who wished the Negro well, and were glad to advise him and help him to make his way under the new conditions in which he found himself.

The difficulty was that the two sections of the country held diametrically opposite notions as to the best way to proceed. In the long controversy which followed, the bewildered freedman was like a ball that is batted from one side to another by rival players in a game. The result was that the Negro got most of the knocks and, in the end, was thrown pretty much on his own resources and compelled to make his own way as best he could.

As was to be expected under the circumstances, the Negro, for a number of years, groped his way along and often strayed from the direct path, but in spite of all he made progress—great progress, in fact—when all the circumstances are considered.

It is my purpose, in the article which follows, to tell something of the progress which the Negro has made during these years in the matter of education, and to indicate, so far as I am able, the direction in which further progress may be expected in the future.

Let me say, to begin with, that one of the first and most important things which emancipation did for the Negro and the South

was to bring into existence a public school system. Previous to the Civil War there had been no public school system worthy of the name, in the slave states, so that, whatever anyone may say in regard to the wisdom or lack of wisdom in giving the Negro the ballot, it should not be forgotten that it was the Negro vote which gave the white man the public school.

Negro education began in the South, however, several years before there were any Negro votes or any public school system. A little army of Yankee school ma'ns followed in the wake of the Northern armies and, wherever the federal forces succeeded in establishing themselves on Southern soil, schools for the education of the freedmen were started.

It was in September, 1861, that the first school for freedmen was started in the South. This school, established by the American Missionary Association, was located at Fortress Monroe, Virginia, and it laid the foundation for the Hampton Institute, the first distinctively industrial school, so far as I know, to be established in the United States for either race.

After emancipation schools for the freedmen multiplied throughout the South, under the direction of the freedmen's bureau, which had charge of the education of the freedmen from 1865 to 1870, when its work was discontinued. Either under its direction, or in coöperation with it, there were established during this short period 2,677 schools with 3,300 teachers and 149,587 pupils.

Statistics give but a poor conception of the character of these early freedmen's schools. Most of them were located in abandoned buildings of some kind or other. Some of them were established in old army barracks; others were started in churches, and still others were held out in the open, under the shade of a convenient tree. Children and old men sat side by side upon the rude benches. Those who were not able to go to school in the daytime went to school at night, and those who could not find time to go to school during the other days in the week crowded into the Sabbath schools on Sunday.

Old blue back spellers were dug up out of odd corners into which they had been hidden away during slavery times and, with these and such other books as they could find, the whole race set out to master the mystery of letters. The most pathetic figures, in all the eager and excited throng which crowded into the school

rooms, were the old men and women who hoped before they died to be able to learn to read the one book of which they had any knowledge, namely, the Bible.

The first report of the United States commissioner was published in 1870. From the scattered and fragmentary figures and statements which it offers, one is able to gain some notion of the condition of the Negro schools at that time. In Alabama the report of the general superintendent of the freedmen's bureau, which the commissioner quotes, indicated that there were 155 schools, with 168 teachers and 11,531 pupils. At this time, also, Alabama had 49 Negro Sabbath schools, with 244 teachers and 8,744 pupils. The number of pupils paying tuition in the day schools was 633 and the amount of money collected from these pupils was \$1,248.95. By 1872 conditions had much improved. At this time there were enrolled in the colored schools of Alabama 54,334 pupils, with an average attendance of 41,308. This was an increase of 25,000 over the previous year.

In 1881, the year in which the Tuskegee Institute was started in Macon County, Ala., the condition of the schools throughout the state was not much better than it had been nine years before. There were 68,951 pupils enrolled, with an average attendance of 48,476. The average length of the school year in the public schools was seventy-eight days. Only about one-third of the Negro children of school age were enrolled in the schools and not more than 28 per cent were in actual attendance.

In South Carolina the Negro public schools in 1870 were not as far advanced, so far as one can judge from the reports, than they were in Alabama at the same period. The failure of the general assembly to pass a school bill had left the public schools without funds, and the report states that "the children of the state are growing up in ignorance." Reports from the counties showed that "the chief obstacles to an efficient school system are the want of funds, the indifference resulting from ignorance, and a deep-rooted prejudice on the part of both races to mixed schools." The superintendent of the freedmen's schools furnished information of the existence of eight schools for Negroes with an enrollment of 3,500. One of these was a freedmen's pay school supported entirely by colored people.

Directly after the war conditions in some of the Northern

States were not much better than they were in the South. In Illinois, for example, Negro children were almost wholly ignored in the common school legislation, except that a provision was made that the money paid by Negroes in the form of taxes should be applied to Negro education. In practice, however, this was not done. Still in some of the towns of the state adequate provision was made for the colored children. In Indiana Negro education was not much better provided for than in Illinois. The law provided that Negro children should be educated apart and, in accordance with this law, the city of Indianapolis set aside two school buildings for the use of the colored children, "although," the report adds, "they have been for several years out of use because of their unfitness."

On the other hand, the city of Baltimore, Md., had at this time 63 schools for colored children and in addition to this an efficient normal school with 5 teachers and 210 pupils. In other parts of the state, however, the colored public schools, so far as any indications given in the reports show, did not exist. The law provided that the money paid in taxes by colored people should be used for the education of the colored children. The records show that the sum of \$951.27, collected from Negro tax-payers in six counties, had been charged as paid out to colored schools, but there was no report of any such schools existing.

The vague and indefinite character of these reports suggests the condition and the character of the early Negro schools. This was to be expected. The Civil War had brought financial ruin to the Southern States; there was neither money nor means to build school houses and maintain schools. In some respects, in spite of their poverty and their ignorance, the freedmen were in a better situation than their former masters. They had, at least, the physical strength and training for rough work of the fields and it was this kind of labor that was necessary to make a beginning.

Besides all else the country was torn and distracted with political controversies, and public sentiment was indifferent when it was not hostile to Negro education. All of these facts should be considered when an attempt is made to estimate the progress of Negro education during these early years and since.

Notwithstanding these difficulties Negro education has made progress from the first. In 1877, when the first general summary

of the statistics of education in the Southern States was made, it appeared that there were 571,506 colored children and 1,827,139 white children enrolled in the public schools of the sixteen former slave states and the District of Columbia. By 1909 the number of children enrolled in the colored schools had increased to 1,712,137. This was, however, but 56.34 per cent of the total colored school population.

Meanwhile the illiteracy of the Negro in the Southern States has been reduced from something like 95 per cent of the whole population, at the beginning of freedom, to 33.3 per cent in 1910. In the United States as a whole the number of Negroes who could neither read nor write was at this time 30.4 per cent of the whole Negro population.

A further evidence of the progress which Negro education had made in forty-seven years is the number of high schools maintained for Negroes in different parts of the country. Not all of these, however, were located in the Southern States. Of the 141 colored high schools supported by states and municipalities, reported by the commissioner of education in 1910, there were 4 in Alabama, 6 in Arkansas, 1 in Delaware, 1 in the District of Columbia, 6 in Florida, 11 in Georgia, 7 in Kentucky, 8 in Mississippi, 1 in Maryland, 21 in Missouri, 3 in Oklahoma, 4 in South Carolina, 7 in Tennessee, 36 in Texas, 5 in Virginia, 5 in West Virginia. Besides these there were high schools for Negroes in other states: Illinois 4, Indiana 6, Kansas 1, Ohio 2, Pennsylvania 1.

Although the statistics indicate that Negro illiteracy has been steadily reduced until at the present time more than two-thirds of the whole Negro population is able both to read and write, this much could not have been accomplished unless the work of the public schools had been supplemented by that of other schools maintained by private philanthropy.

It is safe to say that, of the 34,000 Negro teachers now carrying on the work of the public schools in the South, the majority, if not all, of these who have obtained anything like an adequate training for their work, have been educated in schools that have been maintained, in whole or in part, by private philanthropy. The number of these schools has grown steadily with the growth of the public schools and especially in recent years there have sprung up a multitude of smaller academies and so-called colleges, supported

to a very large extent by the colored people themselves, which have supplemented and to some extent extended the work of the public schools.

As near as I am able to determine there are not fewer than 600 schools of various kinds, colleges, academies, industrial and professional schools, supported for the most part by private philanthropy in different Southern and Northern States. About 400 of these, I should say, are small schools which are doing the work of the public schools in the primary grades.

Of these smaller schools there are at present no statistics available to indicate the character and extent of the work they are doing. Of the 189 larger and more advanced schools of which there is record, the statistics show that they have 2,941 teachers and 57,915 pupils. Of the pupils in these schools, which include practically all of the institutions doing secondary college work, 19,654 are in the secondary grades; 3,214 are collegiate students, and 32,967 are in the elementary grades. In addition to these 2,080 are pursuing professional studies and 29,954 are getting industrial training of some sort or other.

Although the number of schools calling themselves colleges is relatively large the vast majority of their students are in the elementary or secondary grades. For example, in the 189 schools referred to in the foregoing paragraph, nearly 60 per cent are in the elementary grades and only 5.5 per cent are pursuing collegiate studies. In fact, up to 1910 a careful study of the Negro college graduates indicates that altogether, from 1820 to 1909, the number of Negroes who had completed a course of study in a college or a University was not more than 3,856 and of this number about 700 had graduated from Northern schools.

It has been estimated that since 1870 the sixteen former slave states have contributed about \$1,200,000,000 to the support of their public schools. Of this amount \$160,000,000 went to the support of the Negro schools.

I have not been able to determine with any accuracy the amount which has been contributed since emancipation to Negro education by religious and philanthropic agencies. As near as can be estimated it has amounted to about \$50,000,000. To this should be added about \$20,000,000 more which has been contributed by Negroes through their churches and other organizations.



The progress of Negro education has undoubtedly been more rapid during the past ten years than during any previous similar period. Not only have several Southern cities built and equipped first class high schools for the benefit of their colored populations, but there has also been a marked advance, particularly in recent years, in the character of the colored rural schools in many parts of the country. This has been due to the work of the Anna T. Jeanes Fund in coöperation with the county superintendents, the rural industrial schools and the colored people themselves, in the communities in which these schools are located.

A number of cities in the South, notably Louisville, Ky., have done much to put Negro education on a sound basis by the establishment of branch libraries for the use of their colored populations. Until very recently there have been few places in the South where Negroes have had access to any large collection of books. Even the Negro colleges have been able to provide few if any modern books for the use of their students. Recently several of the larger schools, through the generosity of Mr. Andrew Carnegie, erected handsome and commodious library buildings and are now gradually accumulating the books necessary for serviceable working and reference libraries.

The total annual expenditures for Negro education at the present time indicate to some extent the efficiency of Negro education, although Rural School Supervisor Tate, of South Carolina, says that, after a careful study of the conditions of the rural schools he has reached the conclusion that a large part of the money expended by South Carolina is wasted.

He says in his report for 1911 and 1912: "During the year I have visited many schools in which three hours of demonstration work and practical suggestion would double the efficiency of an earnest but inexperienced teacher. The education of the Negro in South Carolina," he adds, "is in the hands of the white race. The white trustees apportion the funds, select the teachers and receive the reports. The county superintendent has the supervision of these schools in his hands. We have expended this year \$349,834.60 in the support of the Negro schools. I have never visited one of these schools without feeling that we were wasting a large part of this money and neglecting a great opportunity."

The total expenditures for Negro schools in the United States

in 1911 and 1912 amounted to \$13,061,700. Of this amount the sum of \$8,645,846 was contributed to the support of the public schools by the sixteen former slave states, the District of Columbia and Oklahoma. The total amount expended by states and municipalities for secondary and higher education was \$758,972. To this sum should be added \$299,267, contributed by the federal government and \$3,359,615 from other sources, making the total expenditures for the secondary and higher education of the Negro in the United States as a whole, \$4,415,854. Negroes represent 11 per cent of the population and receive about 2 per cent of the school funds for their education.

I have tried, in what I have written thus far, to indicate, so far as it is possible to do so by means of statistics and formal statements, the progress which the Negro has made in education during the fifty years of freedom. There have, however, been so much change and progress in Negro education that no statistics, which merely show for schools or the proportion of children in the schools, can give any adequate account.

If I were asked what I believe to be the greatest advance which Negro education has made since emancipation I should say that it had been in two directions: first, the change which has taken place, among the masses of the Negro people, as to what education really is and, second, the change that has taken place, among the masses of the white people, in the South, toward Negro education itself.

I can perhaps make clear what I mean by a little explanation. The Negro learned in slavery to work but he did not learn to respect labor. On the contrary, the Negro was constantly taught, directly and indirectly during slavery times, that labor was a curse. It was the curse of Canaan, he was told, that condemned the black man to be for all time the slave and servant of the white man. It was the curse of Canaan that made him for all time "a hewer of wood and drawer of water." The consequence of this teaching was that, when emancipation came, the Negro thought freedom must, in some way, mean freedom from labor.

The Negro had also gained in slavery some general notions in regard to education. He observed that the people who had education for the most part belonged to the aristocracy, to the master class, while the people who had little or no education were usually of the class known as "poor whites." In this way education became

associated, in his mind, with leisure, with luxury, and freedom from the drudgery of work with the hands.

Another thing that the Negro learned in slavery about education was that it was something that was denied to the man who was a slave. Naturally, as soon as freedom came, he was in a great hurry to get education as soon as possible. He wanted education more than he wanted land or property or anything else, except, perhaps, public office. Although the Negro had no very definite notion in regard to education, he was pretty sure that, whatever else it might be, it had nothing to do with work, especially work with the hands.

In order to make it possible to put Negro education on a sound and rational basis, it has been necessary to change the opinion of the masses of the Negro people in regard to education and labor. It has been necessary to make them see that education which did not, directly or indirectly, connect itself with the practical daily interests of daily life could hardly be called education. It has been necessary to make the masses of the Negroes see and realize the necessity and importance of applying what they learned in school to the common and ordinary things of life; to see that education, far from being a means of escaping labor, is a means of raising up and dignifying labor and thus, indirectly a means of raising up and dignifying the common and ordinary man. It has been necessary to teach the masses of the people that the way to build up a race is to begin at the bottom and not at the top, to lift the man furthest down, and thus raise the whole structure of society above him.

On the other hand, it has been necessary to demonstrate to the white man in the South that education does not "spoil" the Negro, as it had been so often predicted that it would. It was necessary to make him actually see that education makes the Negro not an idler or spendthrift, but a more industrious thrifty, law-abiding and useful citizen than he otherwise would be.

As there never was any hope of educating the great mass of the Negroes in the South outside of the public schools, so there was no hope of a thoroughly efficient school system until the Southern white man was convinced that Negro education was of some real value, not only to the Negro himself, but also to the community.

The task of changing the popular opinion of both races in the South in regard to the value and meaning of Negro education, has

fallen very largely to the industrial schools. The first great task of these schools has been to teach the masses of the Negro people that every form of labor is honorable and that every form of idleness is disgraceful. The second great task has been to prove to the masses of the Southern people, by actual living examples, that money invested in Negro education pays, when that education is real and not a sham.

As far as the masses of the Negro people are concerned, this task is pretty nearly completed. There was a time at Tuskegee when parents objected to their children doing work with the hands in connection with their school work. They said they wanted their children to study books, and the more books and the bigger the books, the better they were satisfied. At the present time at Tuskegee, the work in the shops and on the farm is just as interesting, just as much sought after by pupils, as work in the class room. So great has been the change in the attitude of the masses of the people in this regard that a school which does not advertise some sort of industrial training finds it difficult to get students. At the present time almost every Negro school teaches some sort of industry and the number of schools which advertise themselves as industrial institutes is constantly increasing. There are, for example, not fewer than four hundred little schools in the South today which call themselves industrial schools, although, in many instances, these schools are doing little, if anything more, in the direction of industrial training than the public schools.

But if there has been a change in the opinion of the masses of the colored people in regard to education, there has been an equally great change in the attitude of the Southern white people in regard to the education of the Negro.

There never was a time when the thoughtful, sober people in the South did not perceive the necessity of educating the Negro, not merely for the sake of the Negro himself, but for the sake of the South. Some of the strongest and wisest friends of Negro education have been men who were born or lived in the South. The Hon. William H. Rufner, who inaugurated the first public school system in Virginia and was state superintendent of education in that state from 1870 to 1882, made a strong and statesmanlike plea for the education of all the people, black and white, in his first annual report. From that day to this there have always been wise

and courageous men in the South who were ready at all times to go out of their way to urge the necessity of giving the Negro equal opportunities with the white man, not only for education but also for advancement in every other direction.

On the other hand it can not be denied that the mass of Southern white people have been until recent years, either positively hostile or else indifferent toward Negro education.

No one who studied the trend of opinion in the South can fail to realize that there has been a great change in the attitude of the white people of the South in regard to the education of the Negro within, say, the last five years. There is every evidence, at the present time, that the Southern people have determined to take up in a serious way the education of the Negro, and the black man is to have better opportunities, not only in the matter of education, but also in every other direction.

One indication of this changed attitude is the fact that all through the South state and county superintendents are beginning to take a more real and active interest in the progress of the Negro schools. Five Southern States have already appointed assistant state superintendents of schools whose sole duty will be to look after the interest of the Negro schools. In many instances Negro supervisors have been appointed to assist the county superintendents in the work of improving the Negro schools. Usually these Negro supervisors have been supported, in whole or in part, by funds furnished by the Anna T. Jeanes Fund for the improvement of the colored rural schools.

As an indication of the interest which this work among the colored rural schools has aroused, I can not do better than quote from a recent letter written by County Superintendent Oliver, of Tallapoosa County, Ala., and published in the *Alabama Progressive School Journal*, at Birmingham, Ala. Superintendent Oliver says:

Perhaps no one thing has claimed the attention of our educators of late that means more for our rural schools than efficient school supervision. If anything more was needed to convince me of its supreme importance I have but to call to mind what it has done for our colored schools in Tallapoosa County during the present scholastic year.

Learning that Dr. J. H. Dillard, of New Orleans, was president of the Negro Rural School Fund, founded by Anna T. Jeanes, I opened correspondence with him, resulting in securing Prof. Thomas J. Edwards for this purpose, his expenses being defrayed by this Fund.

On November 1, 1911, Edwards reported to me for work. After mapping out his line of work, Edwards commenced visiting the colored schools in the country, making weekly reports to me, and getting further directions for each ensuing week. He commenced at once to organize in each colored school visited a school improvement association, coöperative corn and cotton clubs, where school children and patrons cultivate the grounds, taking lessons in agriculture at the same time, and agreeing that the proceeds arising therefrom should enure to the benefit of the school in equipping the same and extending the school term, introducing manual training, both for boys and girls.

Edwards kept me fully posted as to his work, and it is simply wonderful how much has been accomplished in a short time.

I have visited several of his schools in person and the improvement is most striking. The school yards have been cleared and planted in trees and flowers; corn clubs have been organized and work done on the little farms, and manual art and domestic science introduced into most of these schools, where wood work, raffia and straw basket making and sewing are being learned by the children, who seem cheerful, industrious and making progress, while this work does not seem to decrease their interest in their books.

About two months ago an exhibition of work done in these schools was given in the colored Baptist church in Dadeville, and it was a revelation and a surprise to all attending. The several schools vied with each other. In the exhibits could be seen axe handles, shuck foot-mats, etc., executed by the boys, who told of what they were doing on the school farms; while girls showed baskets and hats of all sizes and shapes wrought from raffia, straw and shucks, as well as all kinds of needle work, from the coarsest fabrics to the finest hand work in center pieces.

This general interest brought about by social contact and community coöperation has resulted in lengthening school terms from two to three months and the organization and establishment of the Tallapoosa County Colored Fair, to be held in New Adka community, in this county, on November 14-15, 1912. An extensive premium list has already been printed and circulated, offering premiums to successful contestants where the purpose is to encourage the manual arts in schools and increase agricultural production by colored farmers.

I have quoted this letter of Superintendent Oliver at some length for two reasons: first because it gives a succinct description of the manner in which industrial education is now being introduced through the agency of the Jeanes Fund, into colored schools in many parts of the South and, second, because it illustrates, better than any words that I am able to write, the sort of interest and enthusiasm which the effort to improve the public schools in modern and practical ways has created among the members of both races in the South.

I ought to add that Mr. T. J. Edwards, the supervising teacher mentioned in this letter, is a graduate of Hampton Institute and was employed for several years at Tuskegee Institute, where he did a similar work in the county immediately around that school.

What makes this letter interesting from another point of view is that it is written by a man who is dealing at first hand with Negro education in the county of which he is superintendent. The interest which Mr. Oliver has expressed in the work of the Negro schools is, for that reason, representative of the sentiment of the average intelligent citizen of the county and illustrates the new interest of the average intelligent and public spirited white man in the South on the subject of Negro education. I mention this fact because it is the opinion of the average white man that is going to determine, in the long run, the extent to which the Negro school is going to secure the consideration and support of the state and the community in the work which it is trying to do.

What, you may ask, has brought about this change of sentiment of the average white man toward the colored school?

One thing that has done as much as anything else to bring about the change has been the demonstration farming movement. Demonstration farming has taught the average farmer the importance of applying science and skill to the work of the farm and he has argued that, what this sort of education has done for the white farmer it will also do for the colored farmer. He has foreseen, also, that the education which makes the Negro a better farmer will make the South a richer community. That is one reason that the average Southern white man has come to take an interest in Negro education.

Another thing that has helped to bring about this change is that the Southern white man has seen for himself the effects of Negro education upon the Negro.

There is no way in which industrial schools, like Hampton and Tuskegee, have done more to change the sentiment of both races in regard to education and so prepare the way for the building up of a real and efficient system of Negro education in the South than in the character of the graduates that have gone out from these schools and from others, to work in the rural communities as teachers and leaders, and to illustrate in their own lives the practical value of the education they have obtained.

In referring in this way to the manner in which the industrial schools have helped to change sentiment and create sympathy for Negro education among the masses of the white people in the South I do not intend to say that the graduates of other institutions, with different aims, have not done their part. I merely intend to emphasize the fact that the industrial schools have made it part of their program to connect the work in the schools with the practical interests of the people about them, and that they have everywhere sought to emphasize the fact that the function of the school is not merely to teach a certain number of class room studies to a certain number of students, but to use the school as a means for building up and improving the moral and material life of the communities in which these schools are located.

In conclusion let me add that, although much has been accomplished in the past, much still remains to be done. We have not yet obtained in the South anything like the results we can and should obtain under a thoroughly efficient system of public schools.

Not since the Christian missionaries set out from Rome to Christianize and civilize the people of western Europe, I am almost tempted to say, has there ever been a social experiment undertaken on so large a scale as that which was begun fifty years ago with the founding of the first Negro school in the South. As yet that experiment is but half completed. No one can yet say what Negro education can accomplish for the Negro and the South because Negro education has never been thoroughly tried.

At last, however, it seems as if the time had come when white people and colored people, North and South, might come together in order to take up really and seriously the work which was begun with the emancipation of the slaves. If this is true, then, this fact indicates better than any statistics can possibly do, the progress which Negro education has made in fifty years.



## THE NEGRO IN LITERATURE AND ART

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The Negro is primarily an artist. The usual way of putting this is to speak disdainfully of his sensuous nature. This means that the only race which has held at bay the life destroying forces of the tropics, has gained therefrom in some slight compensation a sense of beauty, particularly for sound and color, which characterizes the race. The Negro blood which flowed in the veins of many of the mightiest of the Pharaohs accounts for much of Egyptian art, and indeed, Egyptian civilization owes much in its origins to the development of the large strain of Negro blood which manifested itself in every grade of Egyptian society.

Semitic civilization also had its Negroid influences, and these continually turn toward art as in the case of Nosseycb, one of the five great poets of Damascus under the Omniades. It was therefore not to be wondered at that in modern days one of the greatest of modern literatures, the Russian, should have been founded by Pushkin, the grandson of a full blooded Negro, and that among the painters of Spain was the mulatto slave, Gomez. Back of all this development by way of contact, comes the artistic sense of the indigeneous Negro as shown in the stone figures of Sherbro, the bronzes of Benin, the marvelous handwork in iron and other metals which has characterized the Negro race so long that archeologists today, with less and less hesitation, are ascribing the discovery of the welding of iron to the Negro race.

To America, the Negro could bring only his music, but that was quite enough. The only real American music is that of the Negro American, except the meagre contribution of the Indian. Negro music divides itself into many parts: the older African wails and chants, the distinctively Afro-American folk song set to religious words and Calvinistic symbolism, and the newer music which the slaves adapted from surrounding themes. To this may be added the American music built on Negro themes such as "Suwanee River,"

"John Brown's Body," "Old Black Joe," etc. In our day Negro artists like Johnson and Will Marian Cook have taken up this music and begun a newer and most important development, using the syncopated measure popularly known as "rag time," but destined in the minds of musical students to a great career in the future.

The expression in words of the tragic experiences of the Negro race is to be found in various places. First, of course, there are those, like Harriet Beecher Stowe, who wrote from without the race. Then there are black men like Es-Sadi who wrote the Epic of the Sudan, in Arabic, that great history of the fall of the greatest of Negro empires, the Songhay. In America the literary expression of Negroes has had a regular development. As early as the eighteenth century, and even before the Revolutionary War the first voices of Negro authors were heard in the United States.

Phyllis Wheatley, the black poetess, was easily the pioneer, her first poems appearing in 1773, and other editions in 1774 and 1793. Her earliest poem was in memory of George Whitefield. She was followed by the Negro, Olaudah Equiano—known by his English name of Gustavus Vassa—whose autobiography of 350 pages, published in 1787, was the beginning of that long series of personal appeals of which Booker T. Washington's *Up from Slavery* is the latest. Benjamin Banneker's almanacs represented the first scientific work of American Negroes, and began to be issued in 1792.

Coming now to the first decades of the nineteenth century we find some essays on freedom by the African Society of Boston, and an apology for the new Negro church formed in Philadelphia. Paul Cuffe, disgusted with America, wrote an early account of Sierra Leone, while the celebrated Lemuel Haynes, ignoring the race question, dipped deeply into the New England theological controversy about 1815. In 1829 came the first full-voiced, almost hysterical, protest against slavery and the color line in David Walker's *Appeal* which aroused Southern legislatures to action. This was followed by the earliest Negro conventions which issued interesting minutes, and a strong appeal against disfranchisement in Pennsylvania.

In 1840 some strong writers began to appear. Henry Highland Garnet and J. W. C. Pennington preached powerful sermons and gave some attention to Negro history in their pamphlets; R. B. Lewis made a more elaborate attempt at Negro history. Whitfield's poems appeared in 1846, and William Wells Brown began a career of writ-

ing which lasted from 1847 until after the war. In 1845 Douglass' autobiography made its first appearance, destined to run through endless editions up until the last in 1893. Moreover it was in 1841 that the first Negro magazine appeared in America, edited by George Hogarth and published by the A. M. E. Church.

In the fifties William Wells Brown published his *Three Years in Europe*; James Whitfield published further poems, and a new poet arose in the person of Frances E. W. Harper, a woman of no little ability who died lately; Martin R. Delaney and William Nell wrote further of Negro history, Nell especially making valuable contributions to the history of the Negro soldiers. Three interesting biographies were added to this decade to the growing number: Josiah Henson, Samuel G. Ward and Samuel Northrop; while Catto, leaving general history, came down to the better known history of the Negro church.

In the sixties slave narratives multiplied, like that of Linda Brent, while two studies of Africa based on actual visits were made by Robert Campbell and Dr. Alexander Crummell; William Douglass and Bishop Daniel Payne continued the history of the Negro church, while William Wells Brown carried forward his work in general Negro history. In this decade, too, Bishop Tanner began his work in Negro theology.

Most of the Negro talent in the seventies was taken up in politics; the older men like Bishop Wayman wrote of their experiences; William Wells Brown wrote the *Rising Sun*, and Sojourner Truth added her story to the slave narratives. A new poet arose in the person of A. A. Whitman, while James M. Trotter was the first to take literary note of the musical ability of his race. Indeed this section might have been begun by some reference to the music and folklore of the Negro race; the music contained much primitive poetry and the folklore was one of the great contributions to American civilization.

In the eighties there are signs of unrest and different conflicting streams of thought. On the one hand the rapid growth of the Negro church is shown by the writers on church subjects like Moore and Wayman. The historical spirit was especially strong. Still wrote of the *Underground Railroad*; Simmons issued his interesting biographical dictionary, and the greatest historian of the race appeared when George W. Williams issued his two-volume history of the

*Negro Race in America.* The political turmoil was reflected in Langston's *Freedom and Citizenship*, Fortune's *Black and White*, and Straker's *New South*, and found its bitterest arraignment in Turner's pamphlets; but with all this went other new thought; a black man published his *First Greek Lessons*, Bishop Payne issued his *Treatise on Domestic Education*, and Stewart studied Liberia.

In the nineties came histories, essays, novels and poems, together with biographies and social studies. The history was represented by Payne's *History of the A. M. E. Church*, Hood's *History of the A. M. E. Zion Church*, Anderson's sketch of *Negro Presbyterianism* and Hagood's *Colored Man in the M. E. Church*; general history of the older type by R. L. Perry's *Cushite* and the newer type in Johnson's history, while one of the secret societies found their historian in Brooks; Crogman's essays appeared and Archibald Grimke's biographies. The race question was discussed in Frank Grimke's published sermons, while social studies were made by Penn, Wright, Mossell, Crummell, Majors and others. Most notable, however, was the rise of the Negro novelist and poet with national recognition; Frances Harper was still writing and Griggs began his racial novels, but both of these spoke primarily to the Negro race; on the other hand, Chestnut's six novels and Dunbar's inimitable works spoke to the whole nation.

Since 1900 the stream of Negro writing has continued. Dunbar has found a worthy successor in the less-known but more carefully cultured Braithwaite; Booker T. Washington has given us his biography and *Story of the Negro*; Kelly Miller's trenchant essays have appeared in book form; Sinclair's *Aftermath of Slavery* has attracted attention, as have the studies made by Atlanta University. The forward movement in Negro music is represented by J. W. and F. J. Work in one direction and Rosamond Johnson, Harry Burleigh and Will Marion Cook in another.

On the whole, the literary output of the American Negro has been both large and creditable, although, of course, comparatively little known; few great names have appeared and only here and there work that could be called first class, but this is not a peculiarity of Negro literature.

The time has not yet come for the great development of American Negro literature. The economic stress is too great and the racial persecution too bitter to allow the leisure and the poise for which

literature calls. On the other hand, never in the world has a richer mass of material been accumulated by a people than that which the Negroes possess today and are becoming conscious of. Slowly but surely they are developing artists of technic who will be able to use this material. The nation does not notice this for everything touching the Negro is banned by magazines and publishers unless it takes the form of caricature or bitter attack, or is so thoroughly innocuous as to have no literary flavor.

Outside of literature the American Negro has distinguished himself in other lines of art. One need only mention Henry O. Tanner whose pictures hang in the great galleries of the world, including the Luxembourg. There are a score of other less known colored painters of ability including Bannister, Harper, Scott and Brown. To these may be added the actors headed by Ira Aldridge, who played in Covent Garden, was decorated by the King of Prussia and the Emperor of Russia, and made a member of learned societies.

There have been many colored composers of music. Popular songs like Grandfather's Clock, Listen to the Mocking Bird, Carry Me Back to Old Virginia, etc., were composed by colored men. There were a half dozen composers of ability among New Orleans freedmen and Harry Burleigh, Cook and Johnson are well known today. There have been sculptors like Edmonia Lewis, and singers like Flora Batson, whose color alone kept her from the grand opera stage.

To appraise rightly this body of art one must remember that it represents the work of those artists only whom accident set free; if the artist had a white face his Negro blood did not militate against him in the fight for recognition; if his Negro blood was visible white relatives may have helped him; in a few cases ability was united to indomitable will. But the shrinking, modest, black artist without special encouragement had little or no chance in a world determined to make him a menial. So this sum of accomplishment is but an imperfect indication of what the Negro race is capable of in America and in the world.



## BOOK DEPARTMENT

### NOTES

AMERICAN SOCIOLOGICAL SOCIETY, PUBLICATIONS OF THE. Vol. VI. *Papers and Proceedings of Sixth Annual Meeting of the American Sociological Society, December, 1911.* Chicago: University of Chicago Press, 1912.

ANDERSON, F. I. *The Farmer of Tomorrow.* Pp. 308. Price, \$1.50. New York: Macmillan Company, 1913.

The main contribution of this volume is a discussion of the relatively new doctrine that "The soil is the one indestructible, immutable asset that the nation possesses. It is the one resource that cannot be exhausted; that cannot be used up. It may be impaired by abuse, but never destroyed." This doctrine is compared with the former theory (and the one still taught, the author states, in the agricultural colleges, and held to by all the agricultural papers) that soils do wear out, and that the farmer must feed the soil, in proportion as his soil feeds his crop. The theory that the soil is an immutable asset accepts, of course, the fact that the soil may have its productiveness impaired or lowered, but it accounts for lower production on the ground that soils do not wear out but merely grow "fatigued." This new theory of soil fertility holds that each crop exudes a poison analogous to the poisons set free in the human system under fatigue, and that the proper method of restoring the fertility of the soil, therefore, is "to bring the flora and micro-fauna of the soil under control. Partial sterilization effects this; such antiseptics as chloroform, toluene, etc., eliminate certain organisms which check the useful bacteria. Heating to boiling for two hours doubles productivity and is practical in greenhouses. The problem is to domesticate the unseen flora and fauna of the soil, the useful races to be encouraged, the noxious races suppressed."

The book is interestingly written and full of many vital discussions. The author shows that 70 per cent of the farms are still being worked as a means of labor and not as business propositions, and feels that we are in a transition period between the older notion that the farm is a means of labor and the newer theory that it is a capital and must be made to pay interest. To show the significance of the increased amount of capital invested in farms, the author states that the tax value of the average acre of farm land in 1900 was \$15.57 while in 1910 it was \$32.40, an increase in land values during these ten years of 100.5 per cent.

ANDREWS, C. McLEAN. *The Colonial Period.* Pp. vii, 256. Price, 50 cents. New York: Henry Holt and Company, 1912.

This excellent volume in the Home University Library series differs in several interesting respects from the usual treatment of the American colonies. It emphasizes the conditions in England that affected the colonies and outlines the English policies of colonial control, thus making clear both the dependence

of early American history upon European conditions and, more specifically, the events leading to the Revolutionary War. Two chapters deal with England; two, with the colonies; and six, with the relations between the colonies and the home land and among the colonies themselves.

No effort is made to treat the colonies separately, nor to narrate their chronological development, but a broad view is taken of the British possessions in America as a whole, Canada and the West Indies included. In this way a unity of viewpoint is secured that is often sacrificed in the topical method of study. The chapters devoted to colonial, political and social characteristics and to economic life and influence are particularly suggestive and represent the newer tendencies in historical writing. For any one who has some knowledge of the detailed facts of colonial history, this book is perhaps the best treatment, within the compass of two hundred pages, of the colonial period as a whole.

BAGOT, RICHARD. *Italians of Today*. Pp. 187. Price, \$1.25. Chicago: F. G. Browne and Company, 1913.

Two objects stand out in this interesting little volume. The first is to present a description of the salient characteristics of the Italian people, the second to refute the charges made against the Italian soldiery of the Tripolitan war. The author has been a resident of the peninsula for many years and portrays Italian traits from an intimate personal knowledge. He feels that Englishmen are too apt in visiting Italy to see only the attractions of Rome and fail to give proper attention to the remarkable performances of modern Italy. This leads not only to a lamentable ignorance on the part of the English public but to a lack of understanding. This has estranged two nations which should stand shoulder to shoulder not only because of similarity of virtues but because of the coincidence of their interests in the Mediterranean. The author feels that the attitude of the English press during Italy's war with Turkey has produced an unfortunate conviction in the Italian mind that the English are not only misinformed but wilfully unfair. Documents are quoted at length to justify the Italian declaration of war and to prove that though the Italian treatment of the Arabs was severe it was highly justified by circumstances.

BARROWS, ISABEL C. *A Sunny Life—The Biography of Samuel J. Barrows*. Pp. xi, 323. Price, \$1.50. Boston: Little, Brown and Company, 1913.

The many friends of the late Samuel June Barrows will welcome this biographical tribute. Mrs. Barrows has presented a wealth of personal material, together with a detailed account of his public career. It is given to but few men to exert a wider personal influence than did Dr. Barrows. Thrown upon his own resources as a mere lad, he struggled to secure an education, entered the liberal ministry, passed into editorial work, then to Congress, and later to the work to which the greater part of his life was devoted—that of the Prison Association of New York. At the time of his death he was president of the International Prison Congress. The success of the Washington Congress, 1910, was in a great measure due to his great ability in planning; but he did not live to preside.



BLAKEY, ROY G. *The United States Beet-Sugar Industry and the Tariff*. Pp. 286. New York: Longmans, Green and Company, 1912.

BOGART, ERNEST L. *Financial History of Ohio*. Pp. 358. Urbana: University of Illinois, 1912.

Part I, 180 pages, is devoted to a discussion of the financial and economic history of Ohio, state receipts and expenditures from 1803 to date, and the budgetary practices and methods of financial administration. Part II, 175 pages, then discusses the history of the land tax, general property tax from 1825 to 1851 and under the constitution of 1851, the history and taxation of banks and banking, of railroads and business and miscellaneous taxes.

His conclusions he states throughout the volume. Thus he finds that the early period of state finance, ending in 1825, was accompanied by thrift and economy; that beginning with 1825, there was an increase in taxation and debt due to the state's comprehensive policy of internal improvements, most of the revenue for which was obtained by loans and miscellaneous receipts from the sale of land. The state's finances during this time, however, quite in contrast with Pennsylvania's history during the same period, were administered carefully and economically, and the early canals were built, on the whole, cheaply. But beginning with 1845 there occurred "a decade of legislative extravagance, of administrative dishonesty, and of private and corporate corruption, which happily is unique in the history of the state." The Civil War brought efficiency into the state's financial administration again, which continued until the revival of prosperity following the industrial depression of 1873. With the revival of prosperity, "the general assembly embarked again upon a career of improvidence if not extravagance." This extravagance, it appears, continued until about 1895 when the state began to place its finances on a firm and stable basis. Now they suffer only from the "hand-to-mouth policy of an elective legislature and executive, chosen for short terms and anxious to be returned to office." The whole study is inclusive and scholarly.

BOWSFIELD, C. C. *Making the Farm Pay*. Pp. 300. Price, \$1.00. Chicago: Forbes and Company, 1913.

A sufficiently, not to say questionably, hopeful account of the possibilities of profit from farming by the better methods now becoming more common, as diversified and more intensive cultivation, green manuring, silos, increased live-stock raising, farm accounting, etc.

BRAWLEY, B. G. *A Short History of the American Negro*. Pp. xvi, 247. Price, \$1.25. New York: Macmillan Company, 1913.

It is significant that an increasing number of Negroes are interested in their own historic backgrounds. To such this volume will be welcome. It presents little new material but it tells the story accurately and interestingly. The relation to the whites, education, religion, and achievement in all good things are treated. It would be well if all Negroes should read and ponder the last chapter "Negro Achievement in Literature, Art and Invention." It might create hope should whites likewise reflect on this record.

BROOKS, JOHN GRAHAM. *American Syndicalism*. Pp. 264. Price, \$1.50. New York: Macmillan Company, 1913.

For years John Graham Brooks has been one of the recognized authorities on the American social unrest. His contribution to the problem of syndicalism, the latest and by far the most spectacular form of that unrest, is not only timely, but carries with it a weight of mature authority. Mr. Brooks is radical in the ordinary sense of the term; yet when he deals with a movement like the Industrial Workers of the World, his attitude smacks of conservatism. He sees the need for change and recognizes the importance of action, but counsels strongly against ill-advised, impulsive movements. He counsels reason.

BROWN, SAMUEL W. *Secularization of American Education*. Pp. 160. Price, \$1.50. New York: Teachers' College, Columbia University, 1912.

BUSSELL, F. W. *A New Government for the British Empire*. Pp. xii, 108. Price, \$1.25. New York: Longmans, Green and Company, 1912.

COLBY, F. M. *The New International Year Book for the Year 1912*. Pp. 882. Price, \$5.00. New York: Dodd, Mead and Company, 1913.

*Common School and the Negro American, The*. Pp. 140. Price, 75 cents. Atlanta: The Atlanta University Press.

Anyone who wishes to know about present educational opportunities for Negroes will find this study very helpful. It gives in concise form information with reference to conditions in the various states.

DEVEREAUX, ROY. *Aspects of Algeria*. Pp. xi, 315. Price, \$3.50. New York: E. P. Dutton and Company, 1912.

One-third of the volume is taken up with descriptions of a traveler's first impression of the country and a sketch of its varied history. The rest of the volume discusses the French occupation and its results. Though the style is sketchy this latter portion is interesting and instructive. The results of the detailed statistical studies of the colonial office are presented in summary and a good description is given of the progress made in encouraging immigration, promoting irrigation and establishing security for property.

Though the material accomplishments of the republic receive unqualified praise the author like most English writers sees much to criticise in the manner in which the improvements are accomplished. Least to be defended is the horde of prefects, subprefects and officers of various other grades which the republic has introduced to preserve uniformity of organization. Everything is planned too much on the model of Paris. The policy of granting subventions for the development of southern Algeria the author regards as unfortunate, though a similar long continued policy of "grants in aid" to islands in the West Indies shows that English practice at least until recently, bore no strong contrast to that of France. The author believes that the arrangement by which Great Britain in 1904 gave France a free hand in West Africa in return for the surrender of unimportant fishing privileges in Newfoundland and a free hand in Egypt

was a bad blunder on the part of the English foreign office. A brief chapter on Tunis shows its relation to Algeria and the importance of Italian immigration. Though Morocco, Algiers and Tunis are destined to be under the political protection of the tricolor, the economic possession of the land, it is asserted will fall to men of Spanish and Italian blood. The volume contains an excellent map of Algiers and Tunis.

DUTTON, SAMUEL T. and SNEDDEN D. *The Administration of Public Education in the United States*. Pp. x, 614. Price, \$2.00. New York: Macmillan Company, 1912.

GODDARD, HENRY H. *The Kallikak Family*. Pp. xv, 121. Price, \$1.50. New York: Macmillan Company, 1912.

GOULD, C. P. *The Land System in Maryland, 1720-1765*. Pp. vii, 101. Baltimore: Johns Hopkins Press, 1913.

GRIFFITH, W. L. *The Dominion of Canada*. Pp. x, 450. Price, \$3.00. Boston: Little, Brown and Company, 1912.

Mr. Griffith divides his book into a large number of short chapters each of which contains a concise essay on some phase of Canadian development or life. The first portion which traces the history of Canada and the relations with the mother country shows a touch of the feeling of rivalry if not of resentment toward the United States which still influences many Canadians. The latter three-fourths of the book however, abound with praise for those who make up the American Invasion, which has done so much to transform Canada's agriculture, industry and social and political conditions. Like all other larger British colonies the great development of the Dominion still lies in the future. For this reason the chapters discussing agricultural lands, fishing, mining and forest resources are especially interesting. No one of the majority of Americans who still look upon Canada as a land whose possibilities are narrowly restricted by a long severe winter can read these pages without an increased appreciation of our northern neighbor.

In this time when our own governments are undergoing so thorough an inspection by public opinion the chapters dealing with the organization of the public powers are no less interesting. The relations with England furnish the basis for a valuable comparison with the expedients adopted and to be adopted for the government of our own outlying possessions. The adaptation of the parliamentary system to the provinces, the peculiar division of powers between central and local governments, and the practice of "executive disallowance" all furnish instructive comparisons with our own institutions. Equally important and little known to citizens of the United States are the extensive governmental activities of Canada for popularizing the telegraph and telephone service, improving transportation, facilitating the settlement of labor disputes and promoting the establishment of minimum wage scales in the cities. Throughout the book the author has made an effort to present the latest governmental statistics to enforce his argument.

HAYNES, G. E. *The Negro at Work in New York City*. Pp. 158. New York: Longmans, Green and Company, 1912.

HENDERSON, L. J. *The Fitness of the Environment*. Pp. 317. Price, \$1.50. New York: Macmillan Company, 1913.

In recent years we have heard a great deal about the adaptation of living organisms to the physical environment. That this is really a reciprocal relationship so that it is quite as proper to speak of the fitness of the environment is rarely suggested. Yet this is the thesis of the author as indicated by the subtitle: "An Inquiry into the Biological Significance of the Properties of Matter." The result is a most intensely interesting and suggestive volume.

Fitness, the Environment, Water, Carbonic Acid, the Ocean, Chemistry of the Three Elements, the Argument, Life and the Cosmos are the chapter headings.

Carbon, hydrogen, oxygen are set forth as the three chief factors on which life depends—indeed with little question as the only elements making life possible. Their multitudinous forms and power of change are of vast significance. The general student will find some most stimulating ideas in the discussion of water.

The last two chapters are really devoted to a discussion of vitalism vs. mechanism. "There are no other compounds which share more than a small part of the fitness of water and carbonic acid; no other elements which share those of carbon, hydrogen and oxygen." The author believes that mechanism must win the day and that the supposed rôle of vitalism (despite Bergson) grows daily smaller.

This is a significant and striking study.

HIGGINSON, JOHN H. *Tariffs at Work*. Pp. xiv, 136. Price, 2/. London: P. S. King and Son, 1913.

This little book, in which the author has purposely refrained from making any reference to the economic and political aspects of the tariff problem, presents an outline of practical tariff administration, with especial reference to the United States and Canada. The tariff systems in operation in the different countries are briefly described, and the attempt is made, from a non-partisan viewpoint, to analyze their comparative advantages and disadvantages. The analysis, however, has hardly been sufficiently thorough to justify the conclusions drawn. For example, the conclusion is reached, in a short chapter on *ad valorem* and specific duties, in which only one page is devoted to a discussion of compound duties, and four pages to a discussion of specific duties, that the balance of advantage, from the standpoint of scientific tariff administration, lies on the side of specific duties.

HOLMES, ARTHUR. *The Conservation of a Child*. Pp. 345. Price, \$1.25. Philadelphia: J. B. Lippincott Company, 1912.

HOWERTH, IRA W. *Work and Life*. Pp. 278. Price, \$1.50. New York: Sturgis and Walton Company, 1913.

Among those who purpose to teach economic and social doctrines, none has a clearer view of the social element in the problem than Professor Howerth. Perhaps he may err by overstatement, but surely no one can accuse him of any illegitimate relations with the hidebound individualism of the nineteenth century. Professor Howerth sees the importance of wealth; he realizes the significance of competition in any well-organized scheme of life; but at the same time he recognizes the changes in the past few decades as pointing toward a new era, in which the social ideal will dominate individual caprice, and in which competition will have given place to well-directed coöperation. *Work and Life* strikes a harmonious note in the great world outline of social advance.

KOSER, R. *Friedrich der Grosse*. Pp. 533. Stuttgart: T. G. Cotta's Son.

MCVEY, FRANK L. *The Making of a Town*. Pp. 221. Price, \$1.00. Chicago: A. C. McClurg and Company, 1913.

In an easy, chatty style, the author has presented, amateurishly enough, the problems involved in town-climbing. The subjects ordinarily treated have been fully covered, yet one cannot but feel after laying down the book that it lacks bookishness and authority. For the beginner the book may prove useful; for the student of social science it carries no message.

MOLL, ALBERT. *The Sexual Life of the Child*. Pp. xv, 339. Price, \$1.75. New York: Macmillan Company, 1912.

MURDOCH, JOHN G. *Economics as the Basis of Living Ethics*. Pp. x, 373. Price, \$2.00. Troy: Allen Book and Printing Company, 1913.

The author, a former mental science fellow and now a professor of the English language, has attempted in this volume to cover the two fields of ethics and economics. Nor is he content with a narrow interpretation of the terms. The economic phases of history; the development of property theory; distribution theory; the ethics of Kant; economic determinism, and a minute analysis of the leading writers on political economy, make up the groundwork of his study. The author's basis in study has apparently been of the broadest, exceeded in breadth only by the extent of his ambition. Yet his statements, in so far as they concern economics, bespeak the letter, rather than the spirit of the things which he describes. Although he knows the text that he has conned, the wherefore lies in a realm beyond his ken. The book itself is loosely written, extremely general, and sometimes even careless in statement. His decision to place "the substance or a summary of the passages referred to in single quotation marks," is typical of this attitude. Lacking, as the author does, any intimate knowledge of the subjects with which he deals, and likewise of the art of bookmaking, the present volume fails completely either as a scientific or a readable statement of the relation which it purports to discuss.

MYERS, PHILIP V. *History as Past Ethics*. Pp. xii, 287. Price, \$1.50. Boston: Ginn and Company, 1913.

In the field of historical literature the name of the author of this volume is a synonym for accuracy and sound scholarship. His vividness of style, clearness of description, and sense of perspective have earned for his work an international reputation. After thirty years of general historical writing he has entered a specific field and produced a volume which lacks none of the charm of his previous writings. The history of past ethics is a narrative and not an interpretation. It is no effort to invade the field of the philosophy of ethics, but a serious effort to view the subject historically and thereby supply the material for inductive studies. It seeks to supplement rather than to supplant such writings as those of Westernmark and Hobhouse. This accounts for the apparent lack of causes assigned for varied and changing moral ideas, codes and standards among the different races of mankind and among the same races at different epochs. The book is not without practical aim as regards either the service history may render to theoretical science or to practical social service. It is difficult to determine at one reading whether teachers of history or of ethics will find the book of greatest service. It will undoubtedly be suggestive and stimulating to both.

ORRIS, W. G. *The National Health Insurance Act*. Pp. 20. Price, 6d. London: P. S. King and Son, 1913.

PARSONS, ELSIE C. *The Old-Fashioned Woman—Primitive Fancies about the Sex*. Pp. viii, 373. Price, \$1.50. New York: G. P. Putnam's Sons, 1913.

Mrs. Parsons gives us in her *Old-Fashioned Woman* an interesting and valuable enumeration of the primitive ideas attached to woman in the various stages of civilization. Beginning with the creation of woman, she goes on to babyhood, the girl as a débutante, engaged, on her honeymoon, unwed, and about to become that fearsome phenomenon so long called the "old maid," married and a mother, widowed, and divorced. She characterizes her work and play, her dress, her value, and other ear marks as she humorously calls them, her value to the other sex and her sphere and place in the hierarchies. At each of these various phases she draws attention to the prevailing superstitions governing the conduct and actions of woman.

The primitive custom of the savage and the foolish superstition of our day are shown alike in their true color and perspective. We see woman as she has been for centuries, a creature so custom-bound that it has been almost impossible, until recently, for her to express her real self.

The book is carefully and sanely written, with exhaustive reference, index and table, giving location of primitive peoples. It is well worth a thorough perusal.

PEABODY, R. E. *Merchant Venturers of Old Salem*. Pp. 168. Price, \$2.00. Boston: Houghton, Mifflin and Company, 1912.

Mr. Peabody gives a pleasing account of the commercial ventures of the Derby's, the family of Salem merchants, who, during the eighteenth century, built up an extensive foreign trade with Europe and the Indies. The good

description of the peculiar organization of the foreign trade of the period makes the work highly instructive; and the delightful flavor of romance contained in the story of the adventurous life of the enterprising New England skippers keeps the interest of the reader constantly aroused.

PENSON, T. H. *The Economics of Everyday Life*. Pp. xiii, 176. Price, \$1.00. New York: G. P. Putnam's Sons, 1913.

This book is strictly elementary in character. It would hardly prove acceptable as a text-book, as it contains no treatment of such important topics, as banking, international trade, taxation, labor problems, or railways. It might, however, be of interest to teachers of the fundamental principles of economics, and may possibly be found useful to business men, who have only a limited opportunity to take up the study of economics. But even for this class of readers, it is, as indicated in the preface, to be regarded merely as a stepping stone to more advanced study.

PIGOU, A. C. *Wealth and Welfare*. Pp. xxxi, 488. Price, \$3.50. New York: Macmillan Company, 1912.

RAY, P. ORMAN. *An Introduction to Political Parties and Practical Politics*. Pp. xiii, 493. Price, \$1.50. New York: Charles Scribner's Sons, 1913.

The contents of this volume are divided into four parts: Present-Day National Parties; Nominating Methods; Campaigns and Elections, and The Party in Power. The volume is most inclusive in its contents, covering practically every phase of the organization and methods of political parties, and also such questions as civil service, recall, legislative procedure, gerrymandering, log-rolling, legislative reference libraries, initiative and referendum, presidential preference primaries, publicity laws, remedial legislation as to party receipts and expenditures, "grandfather" clauses, speakership and committee system, direct elections, the short ballot, and national, state and local committees. Party machinery and campaign methods, however, are given but a short chapter each. This under-emphasis is probably the only criticism that can be made of the book from the point of view of a complete text-book.

Each of the chapters covers the usual material well and pointedly, though there is no distinctive contribution in any part of the volume. It does bring together, however, all the material on the subject and will make an ideal text-book for introductory classes in political parties and party methods.

ROBBINS, E. C. *Selected Articles on the Commission Plan of Municipal Government*. (3d and enlarged edition.) Pp. xxix, 180. Price, \$1.00. Minneapolis: H. W. Wilson Company, 1912.

This handbook contains the arguments for and against commission government, a detailed bibliography and extended excerpts from the literature on both sides of the question. The excerpts include the general discussion of the subject from L. S. Rowe's *Problems in City Government* and William Bennett Munro's "Galveston Plan of City Government," in the *National Municipal Review*, 1907.

The affirmative discussion includes articles by E. R. Sherman, E. R. Cheesborough, E. S. Bradford and liberal excerpts from Des Moines papers. The negative discussion includes excerpts from the works of Rear-Admiral F. E. Chadwick, Prof. F. I. Herriott, C. O. Holly, W. W. Wise, and liberal excerpts from *Plain Talk* of Des Moines.

SABY, R. S. *Railroad Legislation in Minnesota, 1849 to 1875*. Pp. 188. St. Paul: The Volkszeitung Company, 1912.

This work on railroad legislation in Minnesota, which was submitted as a Doctor's thesis at the University of Pennsylvania, contains a full account of early railroad regulation in Minnesota, of early land grants and other public aid to railroads in Minnesota, and of the granger legislation and movement of the seventies. The discussion of the granger movement, which is especially complete, is not confined to Minnesota, but is a study of the entire movement. It contains an interesting statement of the motives of the grangers, the legislation enacted, and its results.

THOMPSON, C. W. and WARBER, G. P. *Social and Economic Survey of a Rural Township in Southern Minnesota*. Pp. v, 75. Minneapolis: University of Minnesota, 1913.

UNDERWOOD, F. M. *United Italy*. Pp. xiv, 360. Price, \$3.50. New York: George H. Doran Company, 1912.

Though this book is interestingly written and presents material not elsewhere easily obtainable in English, it does not satisfy one who asks for an account of the foundations of Italian life. Perhaps it is to be expected that writers on Latin peoples should reflect the most prominent surface characteristics of the nations which they describe but it is unfortunate that outsiders at least cannot oftener see the relative unimportance of political changes and the great meaning of economic and social movements and the laws which aim to direct them. Ten of the author's fifteen chapters are devoted to a description of party changes, foreign policy, the royal family and the relations of church and state. Three others discuss the progress in science and the fine arts. Only two, an excellent chapter on south Italy and a summary called Italian Progress, treat the general social and economic conditions of the kingdom. There is no adequate treatment of the growth of Italian industries, the problem of land holding, education, sanitation, and the organization of peasant or middle class life. There is a fair description of the work of Crispi, especially of his financial operations. The terrorism of the Mafia in Sicily and of the Camorra in southern Italy is well discussed. The excellent contrasts drawn in the chapter showing the differences between Italy of a generation ago and of the present time make one wish that this portion on commerce, industry, agriculture and population had been given the prominence it deserves.

USHER, ROLAND G. *Pan Germanism*. Pp. viii, 314. Price, \$1.75. Boston: Houghton, Mifflin and Company, 1913.

Around the projects of pan Germanism the author groups a highly interesting discussion of the present alliances of the great powers. The marshalling



of facts is skillfully done, done with such facility in fact that the careful reader constantly makes reservations as to the accuracy of conclusions drawn. Indeed a large part of the argument can not fail to be unauthoritative since no one has access to sources of information which would allow the categorical statement of the motives impelling the various powers. This must of necessity be the case nor does the author claim to make a definite analysis of the movements he describes. Accepting these limitations, however, the student of international affairs will find this a book of absorbing interest. The author is peculiarly fortunate in placing himself successfully in the position of one arguing the case of each power whose ambitions and motives he has under discussion. He portrays the unfortunate position of Germany, a country which entered the race too late to secure either colonies of exploitation or settlement, but which has a population and trade rapidly expanding for which she seeks an outlet. England, France, Russia and the United States, the great colonial powers, find themselves forced into alliance against Germany with her allies Austria and Italy. The control of the world, especially of the east, is the prize in the competition. Recent developments in Morocco, Tripoli, Persia and Central America are only incidents in the same world wide play for universal dominion. The Moroccan incident was a defeat for pan Germanism, the Tripolitan war tipped the scale in the other direction but the Balkan struggle again turns the balance to the disadvantage of the Triple Alliance. The money power is the controlling factor in determining peace and war and therefore in determining the success of pan German ambitions. On the whole the outlook for realization of German ambitions is gloomy. The sweep of the comparisons and the acuteness with which the complicated elements of present day world politics are analyzed make this a book in which no one can fail to be interested even though the basis of the argument is and must be largely conjecture.

VICE COMMISSION OF PHILADELPHIA, THE. *A Report on Existing Conditions with Recommendations to the Hon. Rudolph Blankenburg, Mayor of Philadelphia.* Pp. viii, 164. Philadelphia: The Vice Commission, 1913.

WALTER, H. E. *Genetics: An Introduction to the Study of Heredity.* Pp. xiv, 272. Price, \$1.50. New York: Macmillan Company, 1913.

This is to be rated as one of the very best books in this field. It contains little rambling discussion but gives in a clean-cut and concise way evidence thus far gathered and a statement of different theories. It is not too technical for one unversed in biology though such a person will not read it rapidly.

The chapter headings will indicate the contents: The Carriers of the Heritage, Variation, Mutation, The Inheritance of Acquired Characters, The Pure Line, Segregation and Dominance, Reversion to Old Types and the Making of New Ones, Blending Inheritance, The Determination of Sex, The Application to Man, and Human Conservation.

The volume contains many excellent diagrams and illustrations. In view of the steadily increasing interest in these problems such a summary of the work of the leading students is most welcome.

WEATHERFORD, W. D. *Negro Life in the South*. Pp. 181; *Present Forces in Negro Progress*. Pp. 191. Price, 50 cents each. New York: Association Press, 1912.

These two hand-books were published by the author in response to a demand for definite, concrete and usable information concerning the Negro in the South, for use in Y. M. C. A. classes studying social problems. The author has gathered with considerable care statistical and other information concerning the Negro's progress and general conditions throughout the South. As the titles indicate, the first is a study of the economic, social and religious conditions of the Negroes, and contains not only the description, but the explanation and interpretation of such conditions with suggested remedies for their improvement.

The second volume is a description of the changes taking place in population, the development of race pride and leadership, together with the story of the Negro's progress in farming and in industry, and the general development of educational and religious life. It would be difficult to find an equal amount of information without the survey of an extended literature.

The books are not only well adapted to their purpose but supply admirably the demand for facts and general information.

WEBB, WALTER L. *The Economics of Railroad Construction*. (2d Ed.) Pp. viii, 347. Price, \$2.50. New York: John Wiley and Sons, 1912.

Because of changes made by the Interstate Commerce Commission in the classification of operating expenses since the publication of the first edition of his work, Professor Webb has found it advisable to offer a second edition, in which his computations will conform to the new classification. With the revision necessitated by the changes in accounting, the use of statistics collected since the former edition appeared, and numerous other modifications introduced for the purpose of making comparisons or explaining the significance of late changes in recent railroad conditions in the United States, the author has given us practically an entirely new work. The plan of the book is the same as that used in the first edition. From a skillful presentation of the financial and legal, the operating, and the physical aspects of the problem of railway building and operation, certain conclusions are derived which form the basis of general principles for the guidance of constructing and operating engineers.

## REVIEWS

BEARD, CHARLES A. *An Economic Interpretation of the Constitution of the United States*. Pp. vii, 330. Price, \$2.25. New York: Macmillan Company, 1913.

The author modestly calls this work "a long and arid survey—partaking of the nature of a catalogue." Far from being arid, it is replete with human interest and compact with information of importance to every student of American history or of political science.

Professor Beard discusses, through the medium of the great mass of original data in the treasury department at Washington, the economic interests of the framers of the Constitution; the economic and industrial movements back of the Constitution; the property safeguards in the election of delegates; the economic interests and the political doctrines of the members of the convention; the economics of the ratification and vote on the Constitution; the economic conflict over the ratification, as viewed by contemporaries. It is impossible here to make a critical analysis of the data submitted. It must suffice to say that, while admittedly fragmentary, it is yet as complete as could be expected in a single volume.

Some of the most important conclusions reached are: "The movement for the Constitution of the United States was originated and carried through principally by four groups of personalty interests which had been adversely affected under the Articles of Confederation: money, public securities, manufactures, and trade and shipping. The steps toward the formation of the Constitution were taken by a small and active group of men immediately interested through their personal possessions in the outcome of their labors." The propertyless masses were excluded at the outset from participation in the work of framing the Constitution, and the members of the convention were, "with a few exceptions, immediately, directly, and personally interested in, and derived economic advantages from, the establishment of the new system."

"The Constitution was essentially an economic document based upon the concept that the fundamental private rights of property are anterior to government and morally beyond the reach of popular majorities."

"In the ratification of the Constitution, about three-fourths of the adult males failed to vote on the question, having abstained from the elections at which delegates to the state conventions were chosen, either on account of their indifference or their disfranchisement by property qualifications."

"The Constitution was ratified by a vote of probably not more than one-sixth of the adult males."

CLYDE L. KING.

*University of Pennsylvania.*

HUBBARD, ARTHUR J. *The Fate of the Empires*. Pp. xx, 220. Price \$2.10. New York: Longmans, Green and Company, 1913.

The author, in this volume, has in Part I attempted a rational analysis of the factors of progressive organic existence from the simplest life of the Protozoal organism to the ultimate achievements possible to man in society.

Four stages are analyzed. Beginning with reflex action, the power of involuntary response to external stimulus which facilitates individual survival, he passes speedily to the second stage, that of reflex action plus instinct. Instinct is defined as inherited inborn impulses, which are essential to racial survival. "Instinct is purely an appurtenance of race, acts in the interests of race, is inherited by every generation, and again transmitted, securing the subordination of the individual to the race. This gives rise to struggle, Malthusianism, natural selection." The third stage of that of reflex action plus instinct, plus

reason. Pure reason is self-interested rationalism of the extreme sort. "Pure reason, the enemy of the race, knows only the interest of the individual, or rather of society." Reason overthrows instinct, eliminates competition and struggle, reduces the birth rate even to the point of racial extinction for the advantage of the individual and present society. This is the present danger confronting society.

The fate of empires, that is, of modern civilization, depends upon a reconciliation of instinct and reason in a fourth stage, viz: reflex action, plus instinct, plus reason, plus the religious motive. The religious motive is "the conscious relation to the infinite." It transforms personal advantage into duty, and provides an ultrarational sanction for human conduct.

Part II is devoted to an analysis of the part religion has played in the history of great nations.

The strength of the book lies in the analysis of Part I; its weakness, in the peculiar conception of religion, which makes its obediences to an external authority rather than the "faith in the possibilities of life" as illustrated in the following: "A permanent civilization may indeed come, but can only do so as an accident of self sacrifice that is offered upon the altars of the Most High." A more optimistic outlook would have resulted had the author adhered more closely to the concept of religion presented by Benjamin Kidd's *Social Evolution*, without which the author declares his book could not have been written.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

KNOOP, DOUGLAS. *Principles and Methods of Municipal Trading*. Pp. xvii, 409. Price, \$3.25. New York: Macmillan Company, 1912.

This is a critical analysis of the scope and development of the administrative, financial and selling policies, and the results of municipal trading in English cities. It is at all times analytical and critical. It contains criticisms that would be, no doubt, of great value to every trading community that has the problems of operation and ownership on its hands. A typical example of the author's point of view is in the following statement (p. 370): "To carry work people at certain hours of the day at cost price or even less than cost price, in a town which is composed almost entirely of working-class people, is a suicidal policy to adopt." Such is probably "suicidal" from the point of view of maximum returns, but much could be said in favor of subsidizing workmen through good transit facilities and proper homes in lieu of subsidizing the capitalist through a protective tariff. Not enough has as yet been made of the way England is keeping her manufactories and working people at home through the socialization of her tramway, gas, electric, water and other services. Minimum rates and maximum privileges in such utilities give to a workman facilities in social life that could never be secured in many American towns where the capitalist is protected by a tariff and where the public utility concerns are allowed to exploit the community and social needs of the city.

The author points out many places where municipal trading is weak, and where it could be improved. Thus he feels that better depreciation funds should be kept and that certain items frequently left out of the revenue accounts of trading departments should be included. Among these items he particularly discusses the cost of widening streets in connection with tramways, the cost of obtaining the original power to establish the trading department and a proper share of the general expense. In the way of minimizing the drawbacks in municipal trading, he suggests the following:

1. That the appointment of all employees be left entirely in the hands of the principal officials of the different departments, and that a recommendation from a councillor disqualify any applicant.

2. That the chairman of Councils Committee be given a salary in order to make it worth his while to give more time to the concern and in order to prevent overwork of councilmen.

3. The payment of good salaries to the higher officials, especially by the trading concerns of the smaller localities, as it usually takes more ability to make a small trading concern pay than a large one.

His general conclusion as to municipal ownership and operation is: "Taking all the attendant circumstances and conditions into consideration, municipal trading in itself cannot be regarded as a desirable institution; the management of industrial undertakings is not really a suitable sphere of activity for a local authority. Nevertheless, in certain cases, it may offer a reasonable prospect of serving the general public better than private enterprise, and in consequence the municipalization of particular industries may be justified. These industries are such as have a strong tendency to become monopolies, which is generally true of tramways and of water, gas and electricity supply undertakings."

CLYDE L. KING.

*University of Pennsylvania.*

LAWTON, LANCELOT. *The Empires of the Far East*. 2 vols. Pp. xvii, 1598, with folding map. Price, \$7.50. Boston: Small, Maynard and Company, 1912.

These two large volumes written in the style of a commentator on current events contain much that is already familiar to those interested in the East. The reader cannot help feeling that the strength of the work would have been much greater if so much space had not been given to quotations and material drawn from McKenzie, P. B. L. Weale and Hulbert. Frequent repetitions of arguments, for which the author apologizes also tend to mar the symmetry of the descriptions. It is to be regretted that the statistics seldom cover a period later than 1907. Aside from these defects Mr. Lawton's work deserves high praise. He has traveled widely in the East, has an unusually intimate connection with certain episodes of the Russo-Japanese war and gives us first hand estimates of the consequences of that conflict after the passing of a decade.

The greater part of the work centers about the progress and prospects of the Japanese. Mr. Lawton thinks their performance in the war has been

exaggerated, that they are by no means a nation of real stoics and that the advantage to Great Britain of the alliance with Japan may prove illusory. The steady onward march of Russia into Mongolia is described in a way which gives a good background for the developments in that region since the publication of the book. Russian ambition in the northeast provinces seems likely to be disappointed though the riches of the fisheries, forests and mines of the Amur are as yet unappreciated by the outside world. Russia's long laid plans in double tracking the Trans-Siberian foretell a conflict in the future even more terrible than the Russo-Japanese war. Even if Manchuria and Korea finally fall to Japan, the author evidently believes that it is still not impossible that Russia may secure an outlet to a "warm water port" on the Chinese coast.

The chapters on Japan proper contain a review of the empire's development and a criticism of its social system, financial operations and business morality. The division headed Manchuria contains as would be expected the best chapters on the present status of the international rivalry in the Far East. The discussion of the various railway projects is exceptionally valuable. The latter portion of the second volume contains a good account of the Chinese revolution.

CHESTER LLOYD JONES.

*University of Wisconsin.*

MOORE, J. R. H. *An Industrial History of the American People*. Pp. xiii, 496.

Price, \$1.25. New York: Macmillan Company, 1913.

In the preface the author states that the aim of this book is to teach high school students to "weigh and consider"—to give them the training necessary for useful citizenship. It will consequently be fairest to judge the volume upon this basis rather than history, for history in the ordinary sense, political or industrial, it can scarcely be called. The book falls into two parts, of which the first with eight chapters deals with the colonial period, and the second with five chapters covers the nineteenth century. Each chapter takes up a single topic and develops it for the colonial or later period. Among these topics are fisheries, lumber, fur trade, agriculture, money, government, city problems, manufacturing, and transportation. As the treatment is very discursive, however, no chapter is confined to the topic that gives it its title; for instance, in the chapter on agriculture the following topics are discussed: slave labor and cotton growing, agriculture in the north, river and canal transportation, Civil War, railroads, tariff, Hawaiian islands, department of agriculture, public lands, Canada. Agriculture is simply the starting point for a concatenation of events that reminds one of Professor Loissette's celebrated memory system.

The book is interesting, with much of incident and anecdote, and written for the high school student; but it is questionable whether its study would leave the student with any clearly defined views as to the comparative importance of events in American history or their casual relations. Moreover the gaps left by a such a topical method are too large to be bridged by class discussion.

E. L. BOGART.

*University of Illinois.*

MYERS, GUSTAVUS. *History of the Supreme Court of the United States*. Pp. 823. Price, \$2.00. Chicago: Charles H. Kerr and Company, 1912.

Mr. Gustavus Myers, author of *History of the Great American Fortunes*, *History of Public Franchises in New York City*, etc., has here, in a spacious volume, given the history of the supreme court of the United States as he sees it. He presents a comprehensive history of the development of capitalist resources, power and tactics, and of the great and continuing conflict of classes, in order to show the influences so persistently operating upon the minds and acts of the justices of the supreme court throughout its entire history. These influences are not venal but class influences, and were all the more effective for the very reason that the justices in question were not open to pecuniarily dishonest practices. From training, association, interest and prejudice submerged in a permeating class environment, a fixed state of mind results. Upon conditions that the ruling class finds profitable to its aims, and advantageous to its power, are built codes of morality as well as of law. These codes are the reflections and agencies of class interests.

The students in traditional history will find in the volume much material that will be new to them as well as much in method to criticise. Thus the author concludes that Jay resigned the chief justiceship of the United States supreme court solely in order that, by making a treaty with England, he might enhance his own financial interests and the pecuniary interests of his associates. All of this might be true, but at the best motives cannot be shown by implications.

A characteristic statement showing the phraseology and point of view of the author is: "Both Burr and Hamilton were engaged in extensive land grabbing. Hamilton in many different directions." He proves from many records that Burr and Hamilton were extensive land owners. Those who have always found it difficult to reconcile Hamilton the young radical, at the time of the beginning of the American Revolution, with Hamilton the reactionary, at the time of the adoption of the Constitution and following, can find ample explanation in the author's treatment of Hamilton's family alignments and his many financial interests. The author, always socialistic in his point of view, completes his seven hundred and eighty-six pages with the prophecy: "The next application of the 'rule of reason' will be made by the organized working class in its own interests to the end that it will expropriate its expropriators."

CLYDE L. KING.

*University of Pennsylvania.*

WALLACE, ALFRED R. *Social Environment and Moral Progress*. Pp. vi, 181. Price, \$1.25. New York: Cassell and Company, 1913.

This is a thought provoking little volume, which is likely to start many discussions. Dr. Wallace challenges the prevalent belief that there has been great advance in the realm of morality as a result of civilization. He points out many of the bad conditions at the present time, and seems to believe that through alcoholism, suicide, war, etc., we are falling far short of the ideals of our civilization. This represents the first part of the book.

The second part is theoretical, beginning with a discussion of natural selection among animals, proceeding to the influence of the mind as modifying selection, a survey of heredity and environment, with a survey of possible methods of improvement in the chapter entitled *Progress Through Selection*. In this he points out great dangers involved in any eugenics movement that would interfere with comparative freedom in the selecting of mates. He is much more favorably inclined towards what has been called negative eugenics—the elimination of the obviously unfit. Dr. Wallace has frequently been quoted as being pessimistic. This does not appear to be fair. He does not think that human nature is perfect but that "it is influenced by fundamental laws which under reasonably just and economic conditions will automatically abolish all these evils." He believes that a better educational system would in itself raise the average age of marriage; that educational and economic equality of the sexes would more nearly equalize their numbers, and that increase of brain work would automatically diminish fertility. Thus the whole social structure would be in better condition. Society, then, has created its own evil conditions, largely by over-emphasis in competition. "That system must therefore be radically changed into one of brotherly coöperation and coördination for the equal good of all."

The book deserves careful reading.

CARL KELSEY.

*University of Pennsylvania.*

WHITE, ANDREW D. *The First Hague Conference*. Pp. vi, 123. Boston: The World Peace Foundation, 1912.

CHOATE, JOSEPH H. *The Two Hague Conferences*. Pp. xiv, 109. Price, \$1.00. Princeton, N. J.: Princeton University Press, 1913.

HULL, WILLIAM I. *The New Peace Movement*. Pp. ix, 216. Boston: The World Peace Foundation, 1912.

Those interested in the peace movement will welcome the reprint from Dr. White's interesting autobiography of those chapters dealing with his epochal work at the first Hague conference. These chapters form such a frank and intimate record of Dr. White's experience at the Hague in 1899 that they furnish a very valuable source of our knowledge of the inside workings of the conference, more particularly of the part played by Germany and the United States. However, they are so well known to students of the subject that an extended review of them is scarcely necessary.

The two lectures on the first and second Hague conferences which form the subject matter of Ambassador Choate's little volume entitled *The Two Hague Conferences*, have also considerable value, though they by no means compare in interest or importance with Dr. White's revelations. Their value is enhanced by Dr. Scott's introduction and the notes at the end of the volume.

A perusal of the sixteen addresses and essays by Dr. Hull published under the title *The New Peace Movement*, leaves various and somewhat conflicting impressions.



The reviewer is a peace advocate and a strong admirer of the work of the Hague conferences, but he seriously doubts the wisdom of indiscriminate and exaggerated praise of their achievements. It may be that the "Hague conferences are to international law what the industrial revolution of the eighteenth and nineteenth centuries was to human industry," but why claim for these conferences the solution of problems and the accomplishment of results which they have not even seriously undertaken?

It is at least questionable whether the Hague conferences have "canalized warfare" or very stringently "cribbed, cabined, and confined the belligerent," or whether the "advance registered" by them "in curbing those modern demons of the sea"—otherwise known as submarine mines—has been very appreciable. The Hague conventions dealing with the "knotty problems of the rights of neutrals on land and sea" are very defective and inadequate, and aerial warfare has in no wise been prohibited even until the end of the next conference, as claimed on pp. 14 and 37. In a word, it must be said that the address treating of "The Achievements of the two Hague Conferences" is very uncritical.

Dr. Hull's addresses are those entitled "The Abolition of Trial by Battle" and "The International Grand Jury." These constitute a valuable contribution to the literature of the peace movement. In a brief essay on "International Police vs. National Armaments," he exposes the "false and pernicious analogy implying that armaments are equivalent to police forces." Much useful information may be found in the essays on "The Instrumentalities" and "Literature of the Peace Movement."

The work contains some good phrases and characterizations. For example, Dr. Hull calls Theodore Roosevelt the "Dr. Jekyll and Mr. Hyde of the Peace Movement" and speaks of the "barracks philosophy of peace." If "two great Americans, Elihu Root and Joseph H. Choate, were the Moses and Aaron who led the second conference into the path toward the promised land," Philander Chase Knox has probably disappointed the hope of the author that he would prove to be the "Joshua" capable of leading us across the Jordan.

On the whole, Dr. Hull's little book is both a source of gratification and disappointment. The addresses are very uneven, though it must be said that even the disappointing features of the work are not wholly devoid of interest.

AMOS S. HERSHEY.

*Indiana University.*

WILSON, WOODROW. *The New Freedom*. Pp. viii, 294. Price, \$1.00. New York: Doubleday, Page and Company, 1913.

This is a book which would be worth reading even if it were not the work of the President of the United States. Mr. William Bayard Hale has taken the more suggestive portions of President Wilson's campaign speeches, many of them extemporaneous, and put them together so well that they make a consecutive book. The title suggests well enough the central theme. The speeches themselves were read day by day as the papers reported them, and so it would be waste of time to undertake a summary of contents, in a brief note. Some general comments, and mention of a few details must suffice.

One is tempted to institute comparison with Mr. Wilson's earlier works, and to judge the book as a scientific contribution. Obviously the comparison is unfair. It is as a collection of campaign speeches that the book must be judged. Such overstatements as this (p. 35): "Laws have never altered the facts; laws have always necessarily expressed the facts," would be subject to criticism in a treatise; in an extemporaneous speech they are to be taken as merely an emphatic statement of a principle which a popular audience would see most clearly if it were not too carefully qualified. It is surprising, however, how few illustrations of this sort one finds, surprising how accurately the scholar has spoken in the easy phrase of the campaigner. As compared with other records of campaign speeches, the book must take high rank.

Some of Mr. Wilson's speeches were criticized in the campaign because inaccurately reported, and the volume is welcome for its corrections of these points. Thus, Mr. Wilson was criticized for having said that the best government is that which does the least governing. Reference to pp. 283-284 shows that he said it only for the purpose of qualifying it in the manner which the student of his scientific writings would expect.

The following passage expresses the spirit of the book better than anything else: "I feel nothing so much as the intensity of the common man. I can pick out in any audience the men who are at ease in their fortunes: they are seeing a public man go through his stunts. But there are in every crowd men who are not doing that—men who are listening as if they were waiting to hear if there were somebody who could speak the thing that is stirring in their own hearts and minds. It makes a man's heart ache to think that he cannot be sure that he is doing it for them" (p. 104). But the appeal is not alone to the moral nature of the common man. Mr. Wilson believes that the captain of industry is not impervious to the moral awakening of the country, exhorts him as well as warns him, and points humorously to the change that took place in the big corporations of New Jersey during his administration—"it was like a Sunday school, the way they obeyed the laws."

In the main, the book deals with general principles. Ends to be sought are made clear; ways and means, as a rule, are made less definite. But the reason is clear. Mr. Wilson was in a happy position in the campaign. His election was as sure as anything human could well be. By leaving his program somewhat indefinite, he gave himself additional time for consultation and reflection, and for the wisdom that comes with the further developments in the facts that he has to deal with. Few Presidents indeed have entered the office with so small a load of *impedimenta* not merely of political promises, but also of detailed policies. While this may have detracted from the interest of the speeches in some measure, there can be little question as to the wisdom of the course. But there are many more definite statements than the newspaper reports led one to think.

B. M. ANDERSON, JR.

*Columbia University.*

WISE, B. R. *The Commonwealth of Australia*. Pp. xv, 355. Price, \$3.00. Boston: Little, Brown and Company.

One naturally expects an author who writes on Australia to emphasize the part which the government plays in the life of the people, and Mr. Wise does so. The first third of the book contains three chapters on the physical characteristics of the country and six on the lands, education and labor policy of the "paradise of the working man." There are many indications in this portion of the work that the author is not free from the enthusiasm of those who live in new countries. It is rather startling to read of the great Pacific continent that "no area of equal dimensions contains so much wealth or in greater variety," and that it "dominates the Pacific" and is "placed astride of the trade route between America and China . . . is not only the outlying frontier of England . . . but is also the ultimate heir of Java." But except where overcolored by patriotism these chapters are interesting and instructive.

Much the better portion of the book is found in its latter two-thirds, though here too the reader has occasion to feel that a more critical attitude would have added to its value. The chapters on the struggle for Union are excellent. There is nowhere presented in semipopular form a more readable account of the efforts by which the provincial prejudices at first blocked union and later yielded to its advantages. The discussion of the government and its workings is also well done, doubtless reflecting the author's legal training and his experience as attorney-general of New South Wales. The chapter on the Judiciary is especially interesting to Americans because of the adaptation of the organization of the supreme court of the United States.

In the field of legislation Australia has done much to arouse our interest. Mr. Wise reviews not only the laws but their workings. His treatment of tariff policies bears especially on the subject of imperialism. Other subjects covered are, the trust problem, immigration of colored races, anti-strike laws, eight hour day laws, legislation for early closing of factories, minimum wage laws, laws favoring labor unions and providing old age and invalidity pensions. Most readers will find these chapters the most interesting and valuable in the book.

CHESTER LLOYD JONES.

*University of Wisconsin.*



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# REDUCING THE COST OF FOOD DISTRIBUTION

## THE ANNALS

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# CAR-LOT MARKETS AND HOW THEY ARE SUPPLIED

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Raw materials for use in manufacturing naturally tend to move to market in car-lots. Wheat and cotton regularly go to the mills and live stock to the packing houses in wholesale quantities; for the miller, the spinner, and the packer are essentially car-lot buyers. So for other raw materials, the usual unit of shipment has long been the carload. In regard to another class of commodities, those ready for immediate household consumption, the carload has been, to some extent, adapted to market conditions. A product that can be kept for a few weeks, at least, awaiting consumption, may be received one or more carloads at a time and stored until absorbed by the retail trade. This is true of such articles as potatoes, cranberries, apples, eggs, butter and fresh meats. When a carload of one of these commodities reaches a market where, for instance, a week's demand will not take more than one-half a car, the balance may be held in storage without serious loss until sold. Such commodities of relatively good keeping qualities do not require such a highly developed car-lot marketing system as do more highly perishable articles. An excess of supply over demand in one market may be relieved by storage or by reshipment to another market, for the less perishable commodities.

The marketing of highly perishable articles gives rise to special problems. Strawberries, for instance, can not be kept many days awaiting consumption; even cold storage does relatively little to relieve a glutted market. An over-supply in a given city of such things as berries, peaches, cantaloupes, and tomatoes regularly causes low prices, if not loss through decay. Many of these highly perishable fruits and vegetables are shipped in car-lots, and special features in distribution have been developed to meet the peculiar needs of this trade.

## *Consumption Zones*

The market capable of disposing of a carload of such produce is called in this article a "car-lot market." The consumption at such a place includes the retail trade within wagon haul of the wholesale

produce warerooms and also outlying towns and cities to which small shipments may be made profitably. The radius of such a zone of consumption for a given article depends partly upon its relative value compared with the less-than-carload freight charge, partly upon the character of the transportation service, and partly upon the encroachment of the consumption zones of other car-lot markets. Local refrigerator-car services are maintained between some large cities and points in the surrounding country for the purpose of distributing and of collecting small consignments of perishable articles. An illustration of this service is afforded by a recent schedule of the Chicago and Northwestern Railway. One refrigerator-car train of this road was scheduled to leave Chicago every night, except Sunday, at 9.45, and consisted of cars for fourteen different routes. From this train, cars were transferred to other routes or left for local use at the following points in Iowa: one car was taken off at Cedar Rapids, another at Marshalltown, still another at Ames, a fourth at Tama, while at Eagle Grove three cars were detached and transferred to three different trains; at Belle Plaine two more trains were each given a car, and at Mason City still another car was taken off. This procedure was reversed on the return trip of this train, refrigerator cars being collected at various points and taken to Chicago.

For many car-lot markets, ordinary local freight service moves the parcels out to neighboring towns, especially to those within a day's haul.

Supplementing the steam roads in distributing this produce from car-lot markets are boat lines and interurban electric roads. Cincinnati is an example of a car-lot market well served in this trade by all three kinds of transportation—steam railroads, boats and trolley lines.

The receivers at car-lot markets include commission merchants, jobbers and agents of shippers. Some of these agents represent mercantile concerns and others represent farmers' coöperative associations. One function they have in common is to receive the car load, possibly sort and repack its contents, divide it, then sell it to jobbers, retailers, or any others who will buy in wholesale quantities. In some cities this produce is sold at freight terminals, where the cars are unloaded. Such a market place is in New York on certain piers along North River. Here the loaded cars are delivered by car-float from the opposite shore, and the contents are unloaded and exposed for sale.

The jobbers, retail merchants, push cart men, and other buyers at this market place haul their purchases away, thus saving any haul from pier to wholesale commission store.

### *Market Places*

Another public market place for car-lot shipments is the auction room. Some of these are located at freight terminals and others are nearer the produce commission houses than the freight terminals. One auction room in New York is on one of the Erie Railroad piers, while another is a few blocks back from the river, in the midst of the produce district in the neighborhood of Washington Market.

The typical market place for fruits and vegetables is the "produce district" found in practically all cities important enough to be classed as car-lot markets. These localities consist of groups of wholesale produce stores and are often located within convenient distance of some freight terminal. In the older cities, which have had considerable water trade, produce commission houses are apt to be grouped near the wharves. Some such business sections, as Third street in St. Louis, Pratt street in Baltimore, Walnut street in Cincinnati, Dock street in Philadelphia, and South Water street in Chicago, are located near the wharves and landings over which fruits and vegetables were received from boats generally long before the railroads developed their modern fast-freight services. Other produce districts are near railroad freight terminals, as Chestnut street district, near 32d, in Philadelphia, Penn avenue in Pittsburg, and Delaware street in Indianapolis; while still other groups of produce stores are near some public retail market, as is the case with parts of Louisiana avenue and B street in Washington, and the West Sixth street produce district of Cincinnati.

Practically every city in the United States, of 25,000 population or more, and possibly many smaller ones, can consume within a few days a carload of one or more kinds of highly perishable fruits or vegetables. According to the report of one of the large merchant shippers of Jacksonville, Florida, in 1912 car-lot shipments of Florida produce were made to 210 different cities, located in 46 states. This number includes most all the cities of this country having a population of at least 25,000. In response to an inquiry made by the writer, under the authority of the United States Department of Agriculture,

in 1910, reports as to car-lot receipts were made by freight officials and by merchants in 103 cities. Of these, 87 were mentioned as car-lot markets for peaches, 86 for watermelons, 77 for cantaloupes, 71 for strawberries, 66 for tomatoes, 53 for grapes, 13 for cherries, 11 for cucumbers, 11 for green beans, 11 for apricots, and each of about 25 other commodities of this class was reported to have car-lot markets in from 1 to 10 different cities. These figures are probably incomplete, even for the 103 cities represented; hence, the total number of car-lot markets for each of the products just mentioned was possibly double the figures quoted.

In this inquiry an attempt was made to determine approximately a rate of increase for car-lot traffic in highly perishable fruits and vegetables. Figures based upon reports from 42 cities indicated an average increase of 40 per cent from 1900 to 1910 in the number of car-lot markets for this kind of produce.

### *Sources of Supply*

The sources of supply for these large centers of consumption may be divided roughly into two classes: the region within wagon-haul or within a radius not too great for the economical shipment of less-than-carload quantities; and, second, the regions beyond such radius. To these two may be added, for many cities, a third class of regions of supply consisting of places connected with the market by water transportation. This third class differs from the first in that it often includes places of production much farther from market, and also from the second class in that the former embraces territory which is less subject, if at all, to the limitations of "car-lot" traffic, although it shares in certain of its advantages. A boat can carry one crate of produce as quickly and efficiently as a carload, and the freight rate by boat, especially over some of the principal fruit and vegetable routes along the Atlantic coast, is often not much higher for a small than for a large consignment.

Illustrations of the wide range of sources of supply of certain products at large markets are afforded by price quotations. New York City's strawberries in the spring and early summer of 1912 were brought from various regions along the Atlantic coast, extending from Florida to New York state, inclusive; and late in the fall California contributed strawberries to this market. Cantaloupes from Cali-

ifornia, Virginia and Georgia were quoted in this city on the same day, while Colorado, New Jersey, Delaware and Maryland were also among the states sending cantaloupes to this market. Kansas City's lettuce supply in 1912 was taken from nearby fields, also from California, Florida, New York, Louisiana, Colorado, Texas and Arkansas, and no doubt from other states not mentioned in the price quotations.

The sources of supply of a given market for a given commodity depend partly upon variations in quantities marketed from season to season. For instance, Georgia competes with Arkansas in certain markets in the sale of peaches; with a plentiful Georgia crop and a small crop in Arkansas, the Georgia peaches would get into markets farther west than if the Arkansas crop were large enough to supply those western cities.

Not only is the supply of perishable fruits and vegetables for a large city drawn over a much larger radius than formerly, but it is also drawn for a much longer period each year. The strawberry season for many cities begins not later than the first part of November and extends until late the next July. String beans, tomatoes and lettuce are "in season" practically throughout the year. The cantaloupe season has been lengthened until now it extends over five months of the year in some markets. And so on with a considerable list of highly perishable fruits and vegetables; the so-called "seasons" have been lengthened, and the consumer has a larger range in the choice of his food supplies, especially during that part of the year when "home grown" produce is scarce.

Moreover, a crop failure in one or, at most, a few localities does not have such a marked effect upon prices or supplies in a given city, as was the case before the development of the present wide system of distribution.

### *Necessity for Car-Lot Shipments*

The bulk of the long-distance movement of these perishable articles goes in car-lots. The necessity for quick dispatch forbids the delays occasioned by transferring freight from one car to another; the carload is therefore the unit required by conditions of quick service. These carloads, all consisting of similar kinds of perishable freight, are readily separated from other kinds of commodities and given such service as is peculiarly adapted to their needs. Some features of this fast freight service are of public interest.

Car lot  
less than car lot  
rates

Car-lot shipments of this perishable produce are required also over many routes by the difference in freight rates on earloads as compared with smaller lots. For instance, the rate on peaches from Fayetteville, Arkansas, to Omaha, Nebraska, in November, 1912, was 51 cents per 100 pounds, while on less-than-earload lots the rate was 99 cents per 100 pounds. At the same time, the earload rate on celery from Sanford, Florida, to Boston, Massachusetts, was 41 cents per crate, if in ventilator cars (minimum earload of 420 crates), while the less-than-earload rate was 51 cents. If in refrigerator cars, the minimum load being 350 crates, the rate was 47 cents per crate.

Another thing that makes the earload the best unit for long distance shipments is the fact that much of this produce has to be moved under refrigeration and it is difficult, if not impracticable, to refrigerate small quantities over long routes.

### *How Small Lots are Combined*

pickup  
system

Many a farmer does not produce enough of a commodity to make a earload for a single shipment, yet he ships to a distant market under conditions requiring the unit of marketing to be the earload. To accomplish this, it is necessary to combine the contributions of a number of growers. This is sometimes done through a system of concentrating into earloads, at some "transfer platform," the small lots collected at various neighboring stations. One such "pick up" system, under the direct management of the railroad companies concerned, is credited with giving considerable help to truck-growing in regions along the Atlantic coast.

forwarder  
who  
mines small  
amounts into  
car lots.

Another method of combining small shipments into earloads is that followed by one or more forwarding agents, whose headquarters are at Chicago, and who have their agents along various railroads, especially in the South. The consignor delivers to the forwarder's local agent, for instance, a few crates of peas consigned to a certain firm in Chicago; another shipper has a case of eggs for another Chicago dealer; a third shipper hands over to the forwarder's agent another package consigned, let it be assumed, to a third man; and so on through a list of possibly twenty to sixty or more separate consignments. All of these may be put into one car and consigned to the forwarder in Chicago, who pays the railroad company at earload rates. On the arrival of the car at destination, it is opened by the



forwarder and the separate consignments delivered to the respective consignees. For this forwarding service the charge to the shipper is said to be less than the less-than-carload rate charged by the railroads but somewhat more than the carload rate; the excess being intended to pay the forwarder for his services and risk.

He,  
remuneration

The making up of carloads is one of the most important functions of those coöperative marketing associations that handle fruits and vegetables. The various small shipments of individual growers are thus readily combined into the larger units which are required by long-distance market conditions.

### *Special Features in Freight Service*

To handle the traffic in perishable commodities as well as other freight requiring prompt dispatch, many railroads have instituted fast freight services. Trains in such a service are moved promptly and at relatively high rates of speed. Passing through territory where it is necessary to stop often to receive or transfer cars, one of these trains will make possibly sixteen or more miles per hour, including stops; and, when stopping seldom except at division terminals, the speed will average eighteen or more miles per hour. The actual speed while running is of course higher than the rates just quoted. These rates are approximately what are made on different parts of the routes between New Orleans and Chicago, also between Tampa and New York.

One of the most valuable features of these fast freight services is the method of reporting the progress of each car by wire, so that the consignee or shipper may learn the location of a given car at a given time and also the probable time of its arrival at a certain market. These "passing reports," in addition to telegraphic news of market conditions, make possible an elaborate system of distributing perishable fruits and vegetables among various markets according to their respective needs.

The Georgia Fruit Exchange, for instance, consigns six cars of peaches to Cincinnati, and while they are in transit the manager of the exchange learns that the movement of peaches to St. Louis is light and that two carloads will sell there at better prices than east of the Mississippi river. Accordingly orders are sent to Cincinnati to divert two cars to St. Louis; and, guided by other market news, the manager

orders one car to be delivered at Cincinnati, another sent to Indianapolis, another to Cleveland, and the sixth to Chicago. Again, an instance: suppose the California Fruit Distributors have three cars of cherries on the way to New York, all due there on the same day; but from advices received it seems probable that only one carload will sell in that city at remunerative prices. Consulting the passing reports, which this association maintains for itself, it is learned that the three cars have not yet reached Council Bluffs, Iowa. Accordingly, word is sent to that diversion point to divert two cars, one to go, for instance, to Pittsburgh and the other to St. Louis.

Passing reports, or rather reports made in advance of arrival, are sometimes given for boats also. The following quotations from the *Daily Fruit Report* of the Boston Fruit and Produce Exchange, for June 13, 1913, illustrates "passing reports" of both rail and water lines:

The Norfolk steamer *Howard* due to arrive here this morning at about 10.50 has 1,433 barrels of potatoes, 41 crates of cabbages, 1,730 baskets of beans, and 137 boxes of beets.

The Savannah steamer *City of Macon* due to arrive here late today has 5 barrels of potatoes and 4 crates of tomatoes.

The Norfolk train (D2) due to arrive here tomorrow (Saturday) has 200 barrels of potatoes and 150 baskets of beans.

The Norfolk train (D10) due to arrive here tomorrow (Saturday) has 400 barrels of potatoes and 25 baskets of beans.

Berries passing yesterday, due to arrive here tomorrow: 3 cars at Wilmington, Del.; 2 cars at Salisbury, Md.; 2 cars at Camden, N. J.; and 3 cars at Lakehurst, N. J.

The Savannah steamer *City of Memphis* due to arrive here Monday, June 16, has 97 crates of tomatoes.

Potatoes from Aroostook County, Me., passed Bangor 24 hours closing 8 o'clock this morning: 9 cars for Boston and 9 cars for other points.

Information like the above helps the Boston produce dealers to estimate in advance the daily supplies consigned to that market and to provide for their profitable distribution.

### Market News

Each car-lot market is interested in reports similar to those just quoted. Wholesale dealers need to know how much of a given kind of perishable produce is on its way or may be diverted to their market. The regions and routes with which a dealer should keep in constant touch vary with commodities and with seasons. During the Florida

tomato movement, practically only one set of routes is to be watched for this vegetable—those routes leading out of Florida; and, among the dealers at car-lot markets, only those who handle tomatoes are vitally concerned with this part of market news. Later in the season it would be necessary to watch tomatoes “rolling” from a number of different places of production. And so, for other parts of current market news, each of a number of different interests is concerned with a special set of returns, which is to some degree independent of the rest of the news. Not only quantities in transit but also prices and demand at various points are items in these reports. The producer is concerned only with his own kind of commodity and those which may serve as substitutes for it. Many kinds of fruit are to some extent interchangeable in the household, and for commercial purposes are practically one commodity. The same is true of some vegetables. The information which the producer needs is confined generally to fewer commodities than the merchant would include in his set of items.

This news, to be of use, must be collected and given out promptly. Suppose ten cars of Georgia peaches are just reported as entering Potomac yards, Virginia, one of the chief diversion points. The manager of the marketing association which has shipped the cars, or his representative, needs to know at once the prices and prospective supplies in different cities that he may send orders to Potomac yards as to the final destination of each car. One day's delay in receiving this information may result in one or more cars being sent to a glutted market and the peaches sold at a loss. In the distribution of perishable fruits and vegetables it is necessary for much, if not most, of the effective market news to be disseminated by wire. Crop conditions, prospective shipments, and some general market conditions are reported in trade circulars and periodicals and have their use also, but the printing press and the mails are not quick enough for many of the most important items.

Two leading defects in this telegraphic news service are worthy of mention, defects recognized by producers and merchants, and intelligent steps are being taken to bring about an improvement. One of these faults is the occasional failure to report all important items relating to quantities about to be shipped or already on the way. A second defect in this quick news service is that there are many producers whom it does not yet reach. They have to select a market without proper information as to what it may offer; and many a shipment sent under such conditions is sold at a loss.

*Shipped*

*Defects in telegraphic reports*

## THE PLACE OF THE INTERSTATE RAILROAD IN REDUCING FOOD DISTRIBUTION COSTS

BY IVY L. LEE,

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More than in any other country, the freight rate system of the United States has been built up on the theory of minimizing the consideration of distance. The phrase "what the traffic will bear" has had to accept great abuse, so few realizing that the freight rate is not "all that the traffic will bear" but what will make the traffic move.

What freight rate will enable the oranges of California to compete in New York markets with those of Florida, two thousand miles nearer? How can the peaches of Georgia, the celery of Michigan, the beef from Chicago, be made to move freely to every market where such articles are consumed, so efficiently that they will be there when needed, so cheaply that practically all markets will be upon a price parity, and the producers will obtain an adequate return for their effort?

Man must not only be fed—he must be warmed, and mills must run. Shall the coal for the furnaces and the mills be charged the same freight rate as the cantaloupes for the table? If so, few could afford to buy coal, little coal would be transported, and the cantaloupes would have to pay even more. What the railroad traffic manager has had to do, therefore, has been to build up, step by step, meeting conditions as they arose, a scheme of freight rates which would enable the railroad to pay its expenses and a reasonable return upon the capital invested, out of an average freight rate, adjusted in such manner that the burden would bear where it would be least felt.

The commercial fabric of this country has been built up on this theory. Our railroads have been pioneers—heralds of civilization. The tremendous distances, the diversity of products, the wide separation of markets, have resulted in the development of a system of freight rates which, with all of its shortcomings, is the wonder of the economic world. To express the American railroad situation in a nutshell: American railways do their work upon less capital per mile; they

do more work per unit of capital; they pay their labor better; they pay more to the support of the government in proportion to the capital invested; and they do their work cheaper than is done in any other country in the world.

These preliminary observations are not intended as a gratuitous panegyric upon our railroads, but are a necessary basis for discussing the very practical problem indicated in the title of this article. For it must be understood at the very outset that it is the obligation of a carrier to supply transportation for every product that enters into commerce, at the same time providing safe and expeditious movement for passengers. The distribution of food, therefore, is but part of that greater problem of distribution in general, which is indeed the problem of our age. It is essential, in considering the part the railroad plays in food distribution, that it be understood how far the railroads of the country have already gone in the solution of the broader problem.

It is essential, too, that we realize some of the limitations that surround the carrier in the performance of his task. His business is solely to furnish transportation. He cannot act as banker, supplying money on goods to the shipper, while they are in transit. He cannot act as market agent, assuming responsibility for obtaining satisfactory prices in the best markets. He cannot supply a warehouse for storing goods while they await a purchaser. Nor can he grant special privileges to favored shippers, or communities. All must be treated alike, and the railroad cannot, under the law, interest itself in the reduction of food costs any more than in the reduction of the cost of iron ore or wood pulp. Circumscribed by such limitations, the railway manager, appreciating the vital importance of the distribution of food, has addressed himself to this problem with astonishing success.

The districts surrounding our large cities do not produce enough fruit or vegetables to supply their own needs, and were it not for fast freight trains, only the rich could afford to buy the season's perishable delicacies in the cities. Families in the North which formerly had to do without vegetables until late spring or summer can now afford new potatoes and peas brought from the South in February, and all on account of the facilities for rapid hauling and the low freight rates.

Necessity for quick transportation grows out of the fact that many commodities decrease in value very rapidly when in transit. A carload of strawberries loses from \$5 to \$10 per hour, according

*and the ship*  
*shipment*  
*good information*  
*market*

to the time it has been under way. Live stock lose about \$3 per hour. But such has been the development of the "fast freight" movement that during the peach season, train loads of peach cars will move from Fort Valley, Ga., through to New York in two days. The peaches are picked when nearly ripe, loaded without delay into refrigerator cars, hurried through to market. When the peaches leave Georgia their destination is unknown, except as to general district. When they reach Washington, however, so complete and timely is the system of information which has been built up, that the shippers have learned by telegraph where the demand is greatest and the supply the least, and they have ordered the railroad to divert the car to where it is useful.

At stated times the commodity trains, the cattle trains, and the fruit and vegetable trains leave certain points, and at stated times they arrive at their several destinations. A merchant in Chicago can order half a carload of merchandise from New York on Monday, by telegraph, and receive the consignment Thursday morning. A train of berries leaves Richmond or Cape Charles, Va., at half past two o'clock in the morning and is in New York the same evening. Cattle are carried through from Pittsburgh to the docks in Philadelphia in less than twenty-four hours. The railroads carry coal, iron and similar staple products by slow freight, moving the cars as a sufficient quantity accumulates to make up full train loads. But perishable freight moves on regular schedules at passenger train speed. On the road, arrangements are made for the passage of trains filled with such commodities with just as much regularity as for that of passenger trains. And the goods are met by consignees at the destination in many cases just as a passenger is met by friend or relative at his journey's end.

Vegetables and fruit must be transported in the quickest possible time, to be kept fresh and in eatable condition, and the market should not be glutted, for the goods will not keep, and, even if they would, an oversupply means an inadequate return to the farmer or the commission merchant. These factors, applied to the enormous areas, multiplicity of communities, and complex requirements of the country, constitute a problem of extraordinary magnitude.

Having long ago surpassed Europe in the economy and dispatch with which heavy or "slow" freight is moved, American railroads are seeking to approach that degree of success in the handling of commodities which is seen in England. British achievement in this

direction has been made feasible by the density of population and the short distances the goods have to be hauled; the system there is similar to the express service in this country. Here the great areas, the long distances and the scattered population have put obstacles in the way of attaining much that the public and the carriers desire in the collection and delivery of commodities.

Speed in the delivery of their goods means saving of money to merchants, and it is they and their customers whom good and prompt service benefits. The quicker he can get what he needs, the smaller the quantity of goods the merchant must keep on hand. The benefit which comes to him through not being compelled to take the risk of laying in a large stock is transferred to the consumer in the form of lower prices. It is thus in the perfection of service that the carrier can render its greatest service in the solution of the problem of lower food costs. The freight rate on any individual shipment will always be small. It must be small enough to make it worth while for the shipper to forward his product, and in practice it works out that the freight rate is but a very small factor in the selling price of the ordinary commodity. Some typical rates from Florida points will illustrate this thought:

*Speed  
eliminates  
the cost  
of risk.*

## FREIGHT RATES TO NEW YORK

	TRANSPOR- TATION	REFRIGERA- TION
<i>Strawberries</i>		
From Starke, Fla., per crate of 32 quarts.....	\$1.30	\$0.50
<i>Oranges</i>		
From Lakeland, Fla., per crate of 80 lbs.....	.63	{ \$50 per car of 300 crates min- imum
<i>Potatoes</i>		
From Hastings, Fla., per barrel of 185 lbs.....	.83	
<i>Tomatoes</i>		
From Fort Lauderdale, Fla.....		
per crate of 50 lbs.....	.59	.18½
in ventilated cars.....	.51	
<i>Celery</i>		
From Sanford, Fla., per crate of 50 lbs.....	.50	.18½
in ventilated cars.....	.43	
<i>Lettuce</i>		
From Bordentown, Fla., per basket of 50 lbs.....	.54	.18½
in ventilated cars.....	.46½	

The first shipment of early vegetables for market was made by boat from Norfolk in 1855. Last year the Pennsylvania Railroad alone hauled nearly 100,000 cars of truck products from the South, largely berries, melons, potatoes and peaches.

Modern methods of packing and refrigerating have combined with improved track and rolling stock to effect the transportation of fruits and vegetables from the South to northern markets with the utmost possible speed. With the exception of live stock, for the transportation of which Congress has made special rules, early vegetables take precedence over all other preference freight.

To meet the demands of this traffic it is necessary for the railroads to keep closely in touch with the producing country, to know just what the agricultural conditions are and how fortunate one section has been in comparison with another. Several months before the seasonable movement begins, a representative of a railroad will make a tour in the producing region to make estimates and get opinions of shippers, station agents and others, of the probable size of shipments. Later, about a month before any particular commodity begins to move, another trip is made to confirm earlier estimates. Besides this, station agents make reports in advance, and when the movement begins they make daily reports. In this way it is possible to get fairly accurate figures upon which to form judgment of the amount of equipment needed to move the output. It has been found that the boundary of the producing territory moves north in the spring at an average rate of fifteen miles a day. Green vegetables begin to come from Florida at first in January. A little later Georgia and Alabama are the center of trucking activity. Far along in the summer, Maine and Canada have their turn in sending products to the great consuming districts.

With this continuous and rapid change in the position of the chief source of supply, complications in the railroad's part of the work are inevitable. Ventilated and refrigerator cars must be on hand for warm weather, but in the cold months these same refrigerator cars are turned into warming cars to keep vegetables from freezing. Along the line in the warm weather re-icing has to be done without loss of time. In winter, at places like New York, heated, enclosed, unloading quarters are supplied to insure against injury from the cold.

One of the causes of the remarkable growth in perishable freight brought from the South is the extension to small communities of the



advantages formerly enjoyed only by the larger cities. Formerly, fruits or vegetables were consigned direct to New York or to Philadelphia, and dealers in neighboring towns had to pay extra freight or expressage to get them to the smaller place. That made prices high beyond the reach of a family of moderate means.

Now certain zones have been created, with the larger cities as centers of distribution. For example, a town within 50 or 100 miles of New York, Philadelphia or Baltimore gets the benefit of the same freight rate that applies from the producing point to the city. This reform has extended the area of consumption and caused the traffic figures to leap upward. The Pennsylvania Railroad, for example, carried more than double the quantity of perishable freight from the South in 1913 that it carried in 1901.

The vast volume of fruits and vegetables which move where they may be most quickly disposed of are supplemented by that even larger quantity of products, including bread, groceries, meats, etc., which, while not so perishable, must receive preferential freight movement. In this latter category we include all less-than-carload freight and all articles in the first, second and third, and some commodities in even lower classes of the Official Classification. Nearly everything which one sees in a food-shop comes within the meaning of preference freight.

*1/2 preferential freight*

The pioneer fast freight organization in America was the Star Union Line, which grew out of the business established seventy-four years ago by Leech and Company, of Philadelphia, and Clark and Company, of Pittsburgh. In 1863 it was organized as an independent freight line, operating over a number of different railroads between the Atlantic coast and the Mississippi River. Ten years later the Pennsylvania Railroad Company purchased the Union Line and made it a bureau of the Pennsylvania Railroad system.

In the manner of handling, preference freight constitutes a separate class of traffic, as different from bulk freight as it is from passenger traffic. The equipment is carefully selected and preference trains have track rights not enjoyed by trains carrying coal, lumber or stone. All the cars, for example, must have air brakes. The fast freight trains running on schedule are restricted to thirty cars to a train. Each one of the cars bears a "sticker" with the word "preference" upon it. There is a rule that the "stickers" must not be detached en route, but be filed with car waybills. The purpose of the


"stickers" is to make doubly sure that the cars are despatched from their starting points in the proper trains, and reach their destination promptly.

On the westbound schedule of one fast freight line there are eleven trains which leave eastern points daily just as regularly as do the passenger trains; and eastbound there is only one train less. This does not represent the total volume of traffic, however, for only the last sections are scheduled, and advance sections are required so frequently that they are rather the rule than the exception during certain seasons. Freight must be kept moving, so a train is sent out an hour after the regular starting time if there is a large enough accumulation to warrant it.

Freight from New York, Philadelphia, Baltimore and places similarly located is delivered in from one to three days, according to the zone for which it is destined. In the zone which is one day from New York are Harrisburg, Lancaster, Williamsport, Baltimore, Norfolk, Washington, etc. Cities like Pittsburgh, Cleveland, Wheeling, Erie and Buffalo are reached the second day after shipment, while Chicago, St. Louis, Peoria, Columbus, Dayton and Cincinnati are in the three-day district. From other shipping points in either the east or west an equally rapid service is given, the zones being divided according to the distance. Trains which are run on schedules representing last sections only require advance sections to be kept well ahead of regular schedules so that congestion and delay may be avoided. On the best equipped and best managed roads the long-distance preference trains move at an average speed, including stops, of twenty miles an hour, which is as fast as passenger trains run in some parts of the country.

In the case of perishable freight, schedules have to be arranged primarily with reference to the time of arrival at destination. An early morning delivery is essential, for that is the hour of wholesale marketing in cities, and if a perishable consignment arrives three or four hours late it means a loss of not three or four, but of twenty-four hours, as far as marketing the material is concerned.

Generally speaking, there are two methods of handling preference freight. By one the car is treated as a unit. Less-than-carload shipments, irrespective of destination, are packed in the smallest possible number of cars at the start, and are later transferred and reloaded at some transfer point. By the second method, which is



followed quite extensively, the train is treated as a unit. Shipments for one place are put into one car. When possible, a solid train runs straight to its destination from the place where the cars are loaded.

Owing to the fact that small lots of freight originate at widely separated points, billed for an equally scattered number of places, it would be impracticable to allot a separate car to each point and carry it through to destination. To obviate this difficulty, transfer yards have been created, and they have been very instrumental in the development of the fast freight service. All trains are broken up at such points and the goods re-assorted. In this way all the freight for a certain section, or a certain city, no matter what the points of origin, is collected and placed in cars destined for that territory. The changes are made with remarkable swiftness and the attendant delay is inconsiderable.

A very important fact, and illustrative of the intricacy of railway working, is that in all these movements of freight, any car can be located at a very short notice. The shipper can thus be advised as to the progress of his consignment, and the consignee can be in readiness to receive and market the shipment without delay. This elimination of friction and loss through making commercial operations more stable is a very real factor in preventing economic waste.

While the chief function, and the only duty, of a railway company is to provide transportation, many railways have in the effort to increase traffic on their lines, gone out of their way to encourage improved farming methods, to increase the output of food, and thus indirectly to affect food costs.

The Long Island Railroad proved by means of experimental farms that the worst ten acres on the island could be cultivated at a good profit. The Pennsylvania Railroad has done the same thing with an experimental station at Bacon, Del. In the fall of 1908, James McCrea, the late president of the Pennsylvania Railroad, made a trip of three days over the railroad lines on the Delaware Maryland-Virginia peninsula. He saw thousands of acres of this section—one of the richest agricultural districts in the world—lying idle, with the adjoining farms flourishing, and the products of the latter in great demand in all of the large markets of the Middle and Eastern States. Having knowledge of the success attained by the Long Island Railroad with its two experimental farms, Mr. McCrea established this practical demonstration farm, where the railroad could show the

*Speed at  
transfer yards*

agricultural possibilities of the land on the peninsula. The land purchased at Bacon had not been farmed for over five years. It had been robbed of its fertility several years earlier, and, considering it worthless, its owners let it grow up in sassafras, sweet briar and weeds. It was in this condition when the railroad company's expert took charge. By a small application of stable manure, about fifteen tons per acre, and 500 pounds of lime, 47 bushels of corn per acre were raised on this land the first year.

When the Long Island Railroad established a demonstration farm many scoffed at the idea, and termed those interested in the enterprise "book farmers." They said it was impossible to grow anything on the waste land chosen for the experiment, that it was good for nothing but "pine barrens," and "salt ponds." The scoffing changed to admiration when in two years the Long Island people had succeeded in growing successfully 380 different varieties of plants, including cauliflower, corn, radishes, peas, asparagus, tomatoes, cabbage, carrots, beans, cantaloupes, watermelons, alfalfa, potatoes, and many other vegetables and fruits. Many railroads have for several years been exerting every effort to encourage the agricultural interests along their lines. On farmers "special instructions trains" and steamboats, operated by the railroad, lectures have been delivered before thousands of farmers by experts from agricultural colleges of different states. In addition, some railroads have carried on a campaign to acquaint the buyers and growers of different markets with those of the territory tributary to their lines. Booklets have been issued, and the traffic representatives of the companies have thus been instrumental in greatly increasing the demand for produce.

Added interest in scientific farming is one result of such an agricultural campaign. A wider market for the crops grown on a railroad line is another, with more people living along its lines, greater prosperity among the farmers, and—for the railroad itself—an increased freight and passenger traffic.

The problem of food distribution is still developing. Any reductions in the cost of transportation must in the immediate future develop out of more economical methods of packing, handling and marketing. The railroad transportation cost can hardly decline, so long as the costs of railroad operation continue to increase. The gains must really be derived from removal of economic waste. Relying upon more perfect information and education, producers must adjust their output more accurately in accordance with the demand.

removal of  
economic waste  
—the key.

The railroad can and should assist with every means in its power, in securing the shipment of all products to just where they can be consumed. More accurate adaptation of the transportation service to true market conditions, the spread of information as to markets, purchasers, and sellers, and the elimination of unnecessary stages and stoppages in the movement of goods from the producer to the ultimate consumer, should embrace those lines of experiment and study along which future development will doubtless proceed.

# THE MOTOR TRUCK AS AN AGENCY IN DIRECT MARKETING

BY STANLEY ALBIN PHILLIPS,

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## Introduction

The retention of the horse in the transportation of food products costs the American public upwards of a quarter of a billion dollars each year. That, in round numbers, is the annual saving that might reasonably be effected by the substitution of motor trucks for draft animals in primary agricultural haulage.

This thought does not necessarily imply the total or even partial elimination of the intermediaries, for it is recognized that the middleman often has an important and legitimate function as a distributor. Neither does it take into account the savings that would result where the power wagon is brought into active and successful competition with the railroads in so-called "long distance" hauling. On the contrary, it is based solely on the economic possibilities of the machine in primary agricultural trucking between the farms and the market or shipping point.

The cost of hauling crops from farms to shipping points is yearly growing greater. Only a short time ago the mean cost for 32 different products was 11 cents per 100 pounds; today it is near 15. Corn, for example, could be hauled in 1906 for \$1.78 a load; it now costs, on an average, all of \$2.

As a prime mover the horse has ceased to be a profitable investment. In the past ten years his price has nearly doubled. The cost of his feed has increased 163 per cent since 1908. The 750 cubic feet of barn he occupies at night is more valuable than ever before, while his hostler is paid \$60 a year more than in 1905.

The area given over to the production of his feed is more than equal to that of Illinois, Iowa, Ohio and Indiana combined. The 125,000,000 acres necessary for his annual sustenance are worth in excess of \$5,000,000,000 or more than a sixth of the total value of all farm lands in the United States.

On the usual assumption that one acre of land, scientifically farmed, will yield enough food for three persons, the horse-feed farms of this country would support 375,000,000 of people. The area devoted to the production of hay alone would sustain three times our entire urban population.

Such is the economic burden of horse haulage!

### *The Excessive Cost of Animal Transportation*

An investigation conducted by the Department of Agriculture some years ago revealed the startling fact that the cost of hauling a \$465,000,000 wheat crop from farms to shipping points was \$34,000,000 or 7.3 per cent of its value. This conclusion was based on figures received from 2,800 county correspondents, showing that the average cost for the primary haulage of this crop was 9 cents per 100 pounds. The mean cost for beans, barley, flaxseed, hay, oats, rye and potatoes was about the same, while for apples, buckwheat, hops and rice the charge was from 2 to 3 cents higher. Vegetables and cottonseed cost 15 cents per hundredweight, and on cotton and all fruit other than apples the cost was 16 cents. The highest charge was on wool which averaged 44 cents. Generally speaking, the cost per hundredweight of any of the twenty-three different crops reported on increased with the length of haul, although there were, of course, exceptions due to variations in local conditions. Some products, such as cotton, with values relatively high per unit of weight, could be profitably transported over greater distances than other less valuable crops. Thus, in the case of corn, worth \$14.71 per ton, the cost was 7.5 cents per 100 pounds, or 10.2 per cent of the value. On cotton, which had an average value of \$220 per ton, the cost was 16 cents, only 1.4 per cent of the value.

*the cost of  
transportation  
per value of  
unit weight  
is low.*

Obviously, therefore, the length of haul, without regard to the nature of the crop transported, is of vital importance to the farmer, limited as he is by the restricted radius of action of draft animals. They confine his activity to those markets or shipping points within the circle which he can profitably serve, and limit him almost entirely to operations in the immediate vicinity. It is the high cost of primary haulage that deters him from entering more distant, and often more profitable, markets and causes him to entrust to others the marketing or subsequent distribution of his produce.

*Where the Motor Truck Fits In*

To the farmer, the most apparent source of economy resulting from the use of motor wagons lies in the increased radius of action possible with machine operation. It is this feature of the power-driven vehicle which broadens his sphere of activity and makes feasible a more direct and economical distribution between himself and the consumer. It is one of the most important arguments for the adoption of the motor truck as an agency in the direct marketing of food-stuffs.

It will be observed that the economic possibilities of the power wagon in that field are twofold. In the first place, the machine possesses a distinct advantage as a factor in the simplification of our present methods of food distribution. Many of the unduly aggressive intermediaries, whose excessive charges contribute so much to our high cost of living, can be eliminated by the adoption of the motor truck with its remarkable space-covering ability. Secondly, the increased speed, larger radius of action and greater carrying capacity so conspicuous in the power vehicle make possible a still further saving by a reduction in the cost of primary haulage. This dual usefulness of the motor wagon is destined to establish it as a permanent and potent factor in the disposition of farm produce.

## I. SIMPLIFYING THE DISTRIBUTING SYSTEM

In considering the economic possibilities of the motor truck as an agency in direct marketing it will be interesting to observe the different results which are bound to follow the introduction of the machine in farm hauling. Three general effects will be at once apparent. The economic status of the producer will be greatly improved by better conditions surrounding the production and sale of farm produce, the burden on the consumer will be lightened to an appreciable extent by a simplification of our present distributing system, and the welfare of the nation as a whole will be materially increased.

*The Improved Condition of the Farmer*

Probably the most substantial, and certainly the most immediate, effect will be felt by the farmer himself. Wholly apart from the ability of the power wagon to reduce his ton-mile haulage costs, the



machine by reason of its great radius of action holds forth wonderful possibilities for widening his present sphere of profitable activity. It will enable him to enter entirely new fields, because the distance from market will no longer be the serious obstacle that it is today under horse methods. He will be able to carry his produce to the market in his own equipment whether the haul be 20, 50 or 100 miles, where he now transports it an average distance of less than 10 miles and leaves the remainder to the common carrier.

Being free from the physical limitations of draft animals, he will prefer hauling to the market although it may be 20 miles away while the local shipping point is but 5 miles distant. He will relish the opportunity to save the cost of the double handling inherent in present methods and at the same time reduce the losses usually experienced through shrinkage. The adoption of motor haulage would thus encourage among the producers a general desire to "market" rather than merely "ship" the products of the farm, and would result in an extensive elimination of the middleman.

*save handling  
& shrinkage*

Having enlarged his functions to include those of distributor as well as producer, the farmer will at once take advantage of his new position and begin to choose his market. This ability to select the most favorable field of operations, those which will net the biggest profits, will require a more thorough and intelligent study of the laws of supply and demand. He will learn to avoid the glutted market close at hand and to seek the more distant one with its better prices and greater opportunities that are denied his neighboring horse users. The increased speed possible with the motor wagon will enable him to reach the best market even before many of his horse-owning competitors whose hauls are shorter, and early enough for a careful search for the most liberal buyers.

*more good  
markets.*

He will then turn his attention to the intelligent selection of crops. Instead of limiting his efforts and, at the same time his profits, to the cultivation of only those products which can be marketed with the minimum risk of spoilage while in transit, as is the general rule under the horse régime, he will be governed by the demand. What is more, he can select his crops with greater regard to the nature of his soil, choosing those which will yield the maximum returns per acre. In that event, local demand will often be of only secondary importance in the sense that he may find a ready sale for his produce in the more distant markets if not in those near at hand. With me-

chanical haulage he will be no longer subject to local market conditions and the shifting demand of local buyers.

The farmer's interest in his new work as distributor will be further increased by the newly acquired ability to direct both ends of his business, production and distribution. The motor wagon with its advantage of greater speed will enable him to make in a given time much longer trips to market than he can at present with horse equipment as well as other trips which he would not now attempt. Similarly, it will effect a material reduction in the number of hours he allots each week to hauling, and will cause an attendant increase in the time he can devote to rest or more profitable labor.

This feature of machine operation will still further stimulate his desire for direct distribution by removing the dread of all-night drives to market. Where a 20-mile haul now takes from dusk to dawn, he will often be able to make a 50-mile round trip between supper and bedtime. Being certain of proper rest at night he will gladly go to market himself and give his personal attention to the sale of his produce rather than entrust it to an ignorant employee. Such a daily contact with the market and the numerous local buyers, a practice which is now met with only when the hauls are very short, is really necessary for an intelligent analysis of the fluctuations in public demand. And as his knowledge of selling and selling conditions increases, so will his desire for direct marketing with its greater financial gain.

In like manner, the resulting economy in labor will have a marked effect in intensifying his inclination for a more direct distribution of his produce. The drive to market with horse equipment diverts no small share of the farm hand's daily work capacity into wasteful and needless loss, and in addition contributes to a decided diminution in his efficiency as a working unit. With the introduction of motor haulage the time now spent in long tiring drives will be decreased to a surprising degree, and the man thus employed will be released for other and more productive effort. In effect this would amount to an increase in the work capacity of the producer's entire labor force, and in many cases it would bring about a very substantial reduction in his labor charge.

A saving in so important an item as the cost of labor must, of necessity, be accompanied by a lowering of the cost of production. This naturally gives the motorized farmer a distinct advantage over

the competing horse owner. He may choose to undersell his less progressive rival and retain his former percentage of profit, or he may prefer to sell at the same prices and pocket the difference. On the other hand, he may be content with his present margin of profit and willing to put what would otherwise be gain into the cost of a longer haul. The advantages to be obtained by this method—choice of market, choice of buyer, better prices and the other benefits previously enumerated—would, by widening the bounds of his selling sphere, often more than offset the profits waived. The attractions of this plan would be sufficient to insure an immediate tendency toward extensive elimination of the middleman and a resulting reduction in the expense of food distribution.

*How the Consumer's Burden will be Lightened*

It is quite generally conceded that the intricacies of our present food distributing system work a great hardship on the consumer, a burden that is extremely heavy and largely unnecessary. As a distributor the middleman, of course, has a well defined and legitimate function to perform, but many products are preyed upon by a long series of aggressive intermediaries who get most of the gain en route. The abuses practiced by a large number of our jobbers and commission merchants are peculiarly harassing to the producer, and contribute largely to the artificial method of pricing which is so closely related to the increasing cost of living.

The unnecessary inflation of values, from the price given the farmer to that paid by the consumer, frequently amounts to as much as 150 per cent of the producer's price. In Philadelphia the increase, according to the reports of a recent municipal investigation, ranges from 67 per cent in the case of high grade eggs to 266 per cent on live poultry.<sup>1</sup> The average increase on eight different products was more than 135 per cent. Similar conditions were found to exist in New York City when, in August, 1912, the New York State Food Investigating Commission inquired into markets, prices and the cost of foods. Of 60 products reported on, 14 showed an increase in price of more than 100 per cent between the wholesaler and the consumer. This increase included the profits of wholesaler and retailer and the

<sup>1</sup> See "A Study of Trolley Light Freight Service and Philadelphia Markets," by Clyde L. King, published by Department of Public Works, Philadelphia.

expense of transfer and house delivery. It developed that this added charge on all food products brought into New York City for consumption within the metropolitan district amounted in the aggregate to \$150,000,000 annually, the cost of transporting foodstuffs from the terminals to the consumers' kitchens.

The problem of transportation, from the time the farmer turns over his produce to the common carrier until it arrives at the terminal markets is a serious one and the charges are necessarily heavy. Such conditions must naturally exist in any large country, yet through the growth of a purely artificial system these carriage charges have become a prodigious element of cost. They have increased to an extent often absolutely unnecessary in the general economy of production and frequently represent little better than sheer loot by over-ambitious monopolies.

We are not here concerned with these larger matters, however, except in so far as they serve to indicate the hugeness of the burden borne by the consumer and to suggest feasible means for its reduction. They merit at least cursory mention in order to emphasize more forcibly the remedial possibilities of motor transportation with its resulting benefits to the consumer.

From a financial standpoint, and because of its direct effect on the cost of living, the most important result of the adoption of motor haulage as related to the consumer would be the reduction of retail prices made possible by a simplification of our distributing system. The power wagon's advantages of greater speed and greater radius of action, as has already been shown, would be potent factors in the tendency to eliminate the middleman by encouraging the farmer to market his produce as far as possible without the assistance of the customary intermediaries. The profits of the numerous middlemen could often be done away with entirely, while in many other cases the number of brokers could be so reduced that the percentage of the consumer's price received by them would be very much less than at present. One has but to refer to the reports on conditions in Philadelphia and New York City to realize the wonderful possibilities for savings in this direction.

Yet the elimination of the middleman's profit is not all. Foodstuffs, in their course between producer and consumer, pass through a number of hands, and when shipped by rail or water they are usually handled no less than ten times. At the farm the produce is loaded

on to the farmer's wagon and transported to the shipping point, where it is unloaded on to the station platform or dock. A second loading on to the cars or boat is then necessary and the actual shipment to market has only begun.

When shipment is made in less-than-carload lots from remote places the consignment is not always direct. That is to say, the produce may be transferred to other cars in which event two more handlings are necessary. Furthermore, it frequently happens that the shipment must be turned over to another railroad and the transfer may then involve still further handling caused by the cartage between depots. In either case, the produce is subsequently unloaded at the terminal only to be again loaded on to the wholesaler's wagon from which it is later removed on arrival at his warehouse. Two more handlings occur in loading the produce on to the retailer's wagon and in its removal at his store. The goods are again loaded in the retailer's wagon for house-to-house delivery and finally unloaded at the consumer's door.

Here we have a system involving ten handlings, six of which are often absolutely unnecessary with direct marketing, while two more can sometimes be saved where the retailer is eliminated. Each avoidable handling means a heavy and needless expense which must be covered by the price obtained from the consumer. By eliminating only half of the handlings inherent in our present system the motor wagon would oftentimes be able to effect a reduction of from 10 to 60 per cent in the consumer's price, the saving in any case being governed by the nature of the product and the expense of the prevailing handling methods.

Another important economy which would result from machine operation is the reduction in the losses due to shrinkage and deterioration. All perishable produce suffers from even the gentlest handling and its value is often utterly destroyed by the long series of abuses it receives on its journey from producer to consumer. Many foodstuffs deteriorate rapidly when exposed to the sun's rays on station platforms and they suffer from confinement in stuffy warehouses and freight depots. This is particularly true of fruits and vegetables which deteriorate very rapidly once decay has set in. The losses on these products from bruising and from fungous diseases quickened by frequent changes of temperature are extremely heavy.

Accordingly, it is only natural that the farmer should seek to

*The cost of  
excessive  
handling*

*avoid  
shrinkage*

protect himself against these apparently unavoidable losses. His prices, therefore, must necessarily include a certain "margin of safety" to cover possible contingencies of this kind. The losses on one crop must be made up by higher prices on another.

Hence, it is but reasonable to assume that any means which will tend to minimize these losses must have a corresponding effect in lowering the prices paid by the consumer. Herein lies one of the most interesting features of motor haulage. By reducing the number of handlings now necessary, the attendant losses through deterioration and shrinkage must be proportionately decreased. And the wider the use of the power wagon in this field, the wider will be the effect on prices and the buying public.

Another advantage, though of lesser importance and for that reason more apt to be overlooked, is the improved condition of foodstuffs when forwarded direct from producer to consumer. Much of the fruit and vegetable products sold to the consumer under our present system is in an advanced stage of decay and must be discarded by him as unfit for human food. At certain seasons of the year, especially during the heat of summer when the delays on station platforms and confinement in improperly cooled cars and poorly ventilated warehouses cause such rapid deterioration, this percentage is often very large. At other times, when conditions are favorable and the handlings and opportunities for bruising are fewer, the percentage may run very low. Whatever the extent of the decay it places an unnecessary burden on the consumer by forcing him to purchase a greater quantity than would be required to yield a given amount of nutriment were the foodstuffs in good condition. It most certainly increases the ultimate cost of food by lowering the value received for each dollar invested.

#### *A Greater National Welfare*

Of no less importance, from the point of view of the economist, are the effects of motorized food haulage on the welfare of the country. There are in the United States today many millions of acres of unimproved lands which continue unproductive because of their remoteness from markets and shipping points. On much of this vast area the soil is peculiarly suited to the production of profitable crops, and a large percentage of the remainder could be made to yield handsome returns by the employment of scientific farming methods. And with all its latent possibilities such land can almost invariably be purchased

at prices from 10 to 90 per cent lower than land more favorably situated. Under present farming conditions involving the use of animal power in primary haulage the distance to market or shipping point is of vital importance. Accordingly, a haul of only 10 or 15 miles may isolate completely a district which otherwise possesses all the qualities for successful farming, simply because the cost of horse trucking beyond certain limits assumes such proportions that the small margin of profit ordinarily possible would be entirely consumed. Indeed, in some localities the margin of profit on certain crops is so small that many farmers dare not increase their hauls by as little as a mile or two. Many corn growers, for example, realize no more than 50 cents profit per acre on a yield of 30 bushels. To them, an increase of but 3 miles in the length of haul, at an average cost of 19 cents per ton-mile, would mean production at an actual loss.

The power wagon, by reason of its practically unrestricted radius of action, greater speed and superior ability for traveling over hard roads, holds forth attractive possibilities for the development of isolated farm lands. To districts without railroad facilities, and those whose very remoteness from local markets or shipping points precludes all chance for horse haulage at a profit, the motor truck offers the ultimate solution. By reducing the time and cost of primary food transportation, it removes the sole obstacle to the exploitation of our non-productive land which is otherwise suitable for agricultural purposes.

It is quite unnecessary to enter into a lengthy discussion of the results which would naturally follow the development of such lands. The excessive premiums now demanded for good lands on account of their proximity to markets and shipping points would no longer be justifiable and present farmland prices would undergo a substantial revision downward. This, in turn, would lower the cost of production and effect a material reduction in the prices to the consumer. Accompanying the extensive introduction of motor trucks in farm haulage would come a marked decrease in the demand for draft animals. Although it is impossible to say how many horses or mules each power wagon would replace, it is certainly very obvious that a widespread application of the motor idea would mean the displacement of hundreds of thousands of draft animals. Every draft animal we use requires \$200 worth of soil for his sustenance. The elimination of a single horse means the recovery of land capable of sustaining 15 persons!

## II. REDUCING THE COST OF AGRICULTURAL HAULAGE

In concluding this short recital of the most important possibilities of the motor truck as a factor in the direct distribution of food products it will be interesting to inquire briefly into the merits of the machine as a cheaper medium of transportation. The power wagon is capable of effecting such remarkable savings in ordinary agricultural trucking alone, entirely apart from those economies due to direct marketing, that a few observations on this feature of machine operation will not be ill-timed.

At the outset it must be apparent that any definite statements as to the precise economies that can be effected by the use of motors, even under stated conditions of service, are quite impossible. So much depends on local conditions governing the price of feed, value of stable land, cost of labor, nature of the roads, the grades, the kind of load carried, etc., that estimates are of little value. The same is true of motor equipment. In any case, whatever statement of cost is submitted must be accepted merely as a typical example of results obtained in a given locality, and it should be taken only as an indication of the possibility for like economies under similar conditions.

*The Measure of Saving*

The most conspicuous item of saving in the operation of motor trucks is in the cost of labor. The machine's greater carrying capacity enables it to haul much more at a load than the average horse-drawn vehicle which usually requires, in farm work at least, an equal outlay for driver's wages. Where several teams are employed and the power wagon is of a size sufficient to care for the work done by two or more of them in a given period the number of horse drivers eliminated will naturally be the measure of economy in labor cost. This saving is often further increased by the use of trailers attached to the truck. These add greatly to the machine's carrying capacity without increasing the cost of operation in the same proportion.

Some charges, such as shoeing, veterinary and the like, are not encountered in an analysis of motor costs, yet the latter involve new items—license fees, tire repairs and renewals, mechanical replacements, etc. Depreciation, interest on the investment, insurance, taxes and housing are items of fixed expense which must be considered in either case. The first four will frequently be larger for the machine



owing to the greater investment usually involved. The cost of housing or storing on the other hand will always be less than for the horse equipment replaced, even when the change to motors has made no reduction in the number of vehicles employed.

Although operating costs cease when the truck stops working—the fixed items of expense being the only ones chargeable against it during unproductive moments—the maximum economy is possible only when the number of idle hours is reduced to the minimum. Inasmuch as the opportunities for saving by the use of motor wagons lie principally in the machine's ability to carry larger loads over greater distances and at an increased rate of speed, the best records are obtained when these features are developed to the utmost. Some really astonishing results are obtained, however, and especially in the service here considered, when surrounding conditions are most unfavorable to a realization of anything like the ideally efficient performance referred to.

In agricultural haulage savings of from 25 to 60 per cent over horse costs are by no means phenomenal. It frequently happens that on the simplest kind of trucking—straight haulage work between farm and shipping point—a single power wagon will replace six to eight horses, and numerous cases have been recorded in farm practice where a machine with one operator has done work equivalent to that performed by 16 horses and 8 drivers. In such instances the saving in labor alone is quite startling to the uninitiated.

### *The Reduction of Wastes in Marketing*

The motor truck is often brought into direct competition with railroads, and on many occasions it has established surprising economies in straight long distance hauling. Although it is obviously impossible to show an economy in favor of the power wagon in all cases of such competitive hauling, the widely different conditions of service involved in the many examples spoken of justify the belief that the machine is destined to have an extensive development in that direction. Whenever a farmer can haul his produce more cheaply by motor than by rail he will certainly be only too glad to do so, and the benefits of the more direct distribution will be felt by the consumer as well. The savings due to the mere elimination of the needless handlings will often be in themselves sufficient to establish the econ-

omy of the machine, even where the ton-mile cost of the latter, calculated on a straight haul between shipping point and terminal, exceeds that of the railroad.

There are other economies, indirect savings not observable on a bare comparison of horse and motor costs, which will mean much to both producer and consumer. With a lower ton-mile cost as a basis for his operations, the motorized farmer will market his produce more frequently and thus realize larger profits from the resulting reduction in the losses due to deterioration and "loss-off" selling. Such an improvement in marketing conditions will, as already observed, react on his cost of production and in turn cause a lowering of the consumer's price.

### *Better Food and Lower Prices*

The increased speed of the motor truck will make it possible for him to take advantage of the better prices offered to the earliest arrivals at market, and by shortening the time required for the trip will reduce his losses through shrinkage in transit. This is particularly true of fruit, which suffers most during the time between picking and precooling for shipment. No amount of subsequent refrigeration can repair or even arrest the deterioration which begins during that period.

The quicker trip to market by means of the motor truck results in an improved condition of the produce due to the more rapid circulation of air around it en route and in a minimization of exposure to the sun's heat. In hauling to market under present methods food products are invariably exposed for hours to the heat of the sun, the temperature being in many instances sufficient to cause fatal overripeness and even incubation in the case of eggs.

Similar improvements in the condition of foodstuffs will also follow the elimination of rail shipping wherever possible. Many products are permanently injured, to the loss of producer and consumer alike, by rough handling, exposure to the elements on shipping platforms and by contamination from foul odors in dirty stations and warehouses. Poultry, for example, suffers heavily from injuries caused by careless handling and from loss of weight and deaths due to confinement. Eggs, a particularly delicate product, absorb moisture readily and their quality is easily impaired by contact with impure air.

The elimination of these and kindred losses is of great importance to the producer in the reduction of his haulage expense, for they now constitute a very large factor in the determination of his profits. Likewise they contribute materially to the high standard of prices at present paid by the consumer.

### *Competing with the Railroads*

The precise extent to which these wastes can be avoided or, in other words, the extent to which the power wagon can displace the railroad by direct marketing, depends on a variety of conditions. The length of haul and the size of the shipment are the most important factors. Obviously, the opportunities for the motor truck to compete successfully with the railroad will be greatest where the loads carried are not sufficient to make up carload lots, for on small consignments the freight rates are invariably higher. Short hauls, too, are apt to be more favorable to machine operation than those where the "through freight" has the right of way over long distances. Yet, there have been many cases where motor wagons have outclassed the railroad in points of speed and ton-mile cost when surrounding conditions, judged from what has just been said, would seem to be most unfavorable. Large shipments comprising several carloads have been made over distances in excess of 200 miles more cheaply by motor than by rail. However, such cases are not the rule. They simply demonstrate the remarkable ability of the power wagon as a cheap haulage medium.

*Less than  
car. lot shipment*

*short hauls.*

### *The Problem of Investment*

A question merely incidental to the adoption of motor wagons for direct food distribution, but one that is often offered as an argument against machine operation, is the increased investment required and the inability of the average farmer to carry it. This apparently sound objection may be completely answered in three different ways: (1) by sales made on the deferred payment plan; (2) coöperative purchases by groups of farmers; and (3) hauling by professionals.

Where the farmer buys his equipment on a time basis he may often hasten the completion of his purchase contract by hauling for others at an attractive profit. In some recorded instances of this kind the net profit realized each week has been more than \$75, an income derived from work done by the machine when it was not en-

gaged on the operator's own hauling. The profit from such an arrangement would be alone sufficient to pay for the average machine in less than a year, the farmer's own hauling meanwhile being done at no cost whatever.

In coöperative purchase by groups of neighboring farmers the burden placed on each becomes almost inconsiderable, a matter of but a few hundred dollars when half a dozen or more are concerned. Coöperative associations, already in existence among producers everywhere, can effect the necessary purchases selling the service to members at a price which need not exceed the actual cost of operation—fixed, running, maintenance and overhead charges. Experience has demonstrated that under such conditions the economy is usually much greater than in the case of individual ownership, for the equipment is apt to be operated at higher efficiency.

The third plan, under which professional carriers own and operate the equipment and sell the service to the farmers at a fair profit, has already been favorably received and successfully tried. Mass application of machines makes possible a very low operating expense, so low in fact that the cost to the farmer may often be no more than where a coöperative, "not-for-profit" association with less equipment undertakes to supply the service at actual cost. The service may be sold to the farmer on a time basis at a fixed rate per hour, day, week, month or year, on a mileage basis, or the carrier may agree to haul all merchandise at a certain price per mile or ton-mile. Each method has been successfully worked out in practice.

#### CONCLUSION

As a means for simplifying our present complex distributing system the motor truck holds forth greater possibilities than any other single medium we have. It offers the farmer a wider sphere of activity, choice of crops, market and buyer, a lower haulage cost and a reduction of his present losses. For the consumer it insures better food and lower prices. To the nation at large it promises the development of remote and unproductive lands, more farmers and a greater volume of foodstuffs. In view of the facts, the retention of the horse in agricultural hauling is nothing short of sheer waste.

## IMPROVED PUBLIC HIGHWAYS

By JAMES M. COX,

Governor of Ohio.

The subject of improved roads is about as old as the race itself. Our earliest forefathers found it expedient to build trails through the forests and to improve them from time to time. Ever since those early days each succeeding generation has found it more and more important to construct better avenues of travel.

The improved highway of today, however, answers an entirely different purpose from the improved roads of other days. Then it was purely a military expediency; today it is a "bread-and-butter" proposition.

Our friends from other states refer to the fact that Ohio seems to have "the good-roads fever." If the desire for better roads is a fever, or disease, well and good. We can assure our friends the ailment will not be cured until we have in this state a perfected highway wherever the course of commerce demands it; and since Ohio is so thickly populated, practically every road in the state is such a commercial highway.

Ohio is not behind other states at this time in the matter of road improvement; indeed, she compares very favorably with most of the states of the Union, and leads many of them. But, like other states, Ohio is far behind the needs in road improvement, and it is our purpose now to bring her to the front as rapidly as possible. This is to be done by paving with brick or concrete many of our more prominent roads, and by macadamizing and using gravel upon the remainder. We have provided a special levy for road improvement, which guarantees us ample funds for the present.

We propose purchasing a tract of land upon which is located shale and coal, and building thereon a sort of branch penitentiary, at which may be employed from 400 to 500 convicts in brick making. These bricks will be sold at cost to the various counties. Other convicts who can be trusted upon their honor will be given the task of building the roads.

These facts are mentioned simply to show what is contemplated in the way of road building in this state. There has never been a

period in our history when so many of our citizens were interested in the subject. This is in part due, of course, to the tremendous number of automobiles now in use. By the end of the year we shall have practically 100,000 motor driven vehicles upon our roads and highways. But all of this interest is in no sense due to the adoption of motor vehicles. It is due to a gradual awakening on the part of the people to the fact that bad roads cost more than good ones. Our farmers are coming to be business men in every sense of the word. They are capable of figuring upon the cost of transportation. They therefore readily see the financial advantage of having improved highways.

As governor of the state, I am using every endeavor to encourage improved public roads. I believe in promoting means of communication that will lower the cost of living and at the same time make life all the more desirable in rural communities. There is a direct connection between the cost of living and the desirability of living in the country; that is to say, the more pleasant we can make life in the rural communities the greater number of people will remain in such communities, and, therefore, the greater the production upon the farms. So that, summed up, it may be stated that Ohio is endeavoring to solve the high cost of living by building improved highways.

# WHAT FARMERS CAN DO TO FACILITATE THE TRANSPORTATION AND MARKETING OF PRODUCE

By F. R. STEVENS,

Agriculturist, Lehigh Valley Railroad Company.

The transfer of farm products from the farmer to the consumer gives rise to a large part of the business of the country. It has to do with everything that the land produces and the people eat. It concerns the great farms and ranges of the West and it concerns the little plot of the market gardener both East and West.

It is clear that the ideal transfer is that in which the producer sells what he produces directly to the consumer without the intervention between himself and the consumer of either a common carrier or a middleman. This ideal method of transfer is realized chiefly by those farmers who sell milk, vegetables, berries or fruit in nearby markets. Their carrier is their own team and they deal directly with the consumer.

This is the simplest form of the problem. It becomes more involved as the distance becomes too great for profitable use of the farmer's team and railways become the carriers. Here again the problem is comparatively simple with respect to some products. In the grain districts of the West the elevators furnish a place where the farmers, whose only marketable product is grain, may store it ready for sale when the market invites. Large producers of fruit or other products can afford to have storehouses and ship in carloads. In both of these cases there is an approach to ideal conditions in so far as transportation is concerned.

There are many other farmers who make a specialty of some product, they put it up in attractive packages and sell to special customers, who are glad to pay a premium for the extra quality and attractive form.

I have spoken of these, not because they are all who have reached practically ideal conditions, but because in their methods they point the way in which others may succeed.

Aside from these and all others for whom conditions of transportation and marketing are fairly good, are the great majority of

farmers, men who have a small product or several small products that they wish to sell. It is in their interest that the suggestions in this article are made.

There are clearly three distinct parties, at least, concerned in the transportation and marketing of farm products, the farmer, the railway and the consumer. There is a fourth in the system now in use, the middleman. He is commonly the object of suspicion and abuse but it is difficult to see how we are to dispose of him unless an agent of the farmer or the railway or the consumer takes his place. In that case we should substitute for the commission man who, necessarily, in his own interest, takes all he can for handling products, an agent whose interests would be that of his employer. It should be said in fairness that the frequent criticism of middlemen does not belong to all of them. It is the system which makes them necessary and the avarice or dishonesty of some of them that gives rise to the criticism of all of them.

The transportation and marketing of farm products at present are not satisfactory to farmer, railway or consumer. The farmer ships when the crop is gathered because he cannot store it, when he must sell to get money, or when roads are good so he can haul it. Selling in any of these ways he is at the mercy of the middlemen. The railways are dissatisfied because they are asked at certain times of the year for more cars than they have available and at other times have hundreds of idle cars. The consumer is dissatisfied because of the middleman and his profits and because of the high cost of living.

It is clear that, if some system could be devised and established by which the farmer could ship his produce as it is needed by the consumer week by week throughout the year and if this system could dispense with the middleman, the three parties, farmer, carrier and consumer would be much better pleased than now.

As to who shall take the initiative in establishing a new order of things there may well be a difference of opinion. Probably the farmer, the railway or the consumer might do it with a fair prospect of success, supported by the others; none can do it alone. In other words, farmer, carrier and consumer must contribute to its success if any plan is to succeed. I shall assume the initiative belongs to the farmer and shall suggest some ways in which he may help solve this problem.

1. The farmer should pay much more attention than now to the



*Grading and  
packing*

grading and packing of what he has to sell. This statement applies to whatever he has to market but may be illustrated by his method of marketing eggs. He is careless as to time of selling them, holding them until some errand takes him to town. The result is they are no longer strictly fresh. He does not assort them and so sells small and large, white and brown in one lot, getting less for his output of eggs than he might easily obtain were they properly graded as to size and color. He is not careful to have his product credited to himself. Every farmer should grade his produce according to market demands and then be so sure of its quality that he is proud to attach his name and address. Take or ship such produce to market in attractive packages and both producer and consumer will be satisfied.

At this point the railway comes in as a friend to the farmer. The farmer does not know how to grade and pack and ship his eggs or his fruit, or his vegetables. The railway will run a car or a train, if necessary, to every station on its lines where there is a demand for such instruction and show farmers how to do all these things. A proper application of this knowledge would prove invaluable to farmers. Recently an agricultural paper asked some seventy egg dealers, who together handle over 900,000 cases of eggs annually, what an application of this knowledge would mean to them. The replies of sixty-three of them were to the effect that if farmers or communities of farmers would adopt these modern and up-to-date methods they could well afford to pay a premium above the market price on such shipments. And what is true of eggs is true of all other farm products.

2. A second step the farmer may well take toward the solution of the problem of transporting and marketing farm produce is the improvement of country roads. An extract from a statement from the office of public roads in the United States Department of Agriculture emphasizes the importance of this. "There are counties rich in agricultural possibilities, burdened with bad roads, where the annual incoming shipments of food exceed the outgoing shipments in the ratio of four to one," it says. "Many such counties, with improved roads, would not only become self-supporting, but would ship products to other markets."

*Improvement  
country roads*

This is not true of all counties but in every county it is true that many much used public roads are frequently impassable for heavy loads and oftentimes when the farmer needs most to do his heavy hauling he cannot. The roads which an ordinary farming commu-

nity can finance and build are not good enough. Such a community should have state aid and the so-called state road. To get these, the farmer must go to the state and here again the interest of farmer, railway and consumer is identical.

The farmer through his grange and through his representative should in every proper way try to direct the expenditure of state money appropriated for roads so that the roads built by the state or with state aid shall be market roads or farmers' roads rather than pleasure roads. It is now too apparent that the state roads are built where the influence of automobile associations locate them rather than where the interest of the farmers would place them. The farmers, the railroads and the consumers in the cities, if the movement for good roads is wisely managed, will stand together and see that state money spent on roads is spent where it will help all, is spent in building market roads rather than pleasure roads.

3  
*age warehouses  
shipping stations*  
3. Assuming the farmer's produce is properly graded and packed and that the roads are so good he can deliver it at a railway station whenever it is needed and the weather and his leisure permit, there is a third step necessary to make the first two available to their full value. This is the erection at suitable intervals of storage warehouses along the nearest railway. In the erection of these the farmers of one or two townships or some of them would need to unite. In such coöperative enterprises it is always better to have a good many small stockholders rather than a few large ones. An effort should be made to interest financially as many as possible in the undertaking.

The warehouses should be large enough to store the potatoes, apples, cabbages, etc., of that district from the time they are harvested until a suitable market offers. It should not be necessary to provide for all the products usually sold but should be of a size to store all those commonly rushed to market because the producers have not room enough or money enough to keep them. There will be some farmers in the territory of each warehouse who have storage room of their own and capital enough to keep their products until they can be marketed profitably, but such farmers would probably ship through the warehouse and would find it valuable in other ways. Such a building would prove useful to all the farmers of the vicinity.

The warehouse should be so constructed as to protect articles from the cold. It should also have room for the storage of hay, grain and feed, and there should be a shed attached for the lime and

fertilizer. It should have a siding of its own, or room for its cars on some other siding. In immediate charge of the warehouse there should be some man whose whole time could be given to the receipt of products at the warehouse, their care and their shipment; or some man with other business who could attend to this as a side line. It is probable that the presence of an agent to receive and receipt for produce on one or two regular days each week might be sufficient at some warehouses while at others the entire time of a man might be required. The arrangement with him should be somewhat elastic, so that the extent of his service would be determined by the work to be done. This man would need to be more or less of an expert in grading and packing for shipment the farm produce in that vicinity.

One of the reasons why some farmers now rush their crops to any market that offers in the fall is that they need money and are forced to sell. To meet this need there should be an arrangement by which money could be borrowed on warehouse receipts for a part of their face value. Banks are glad to loan upon warehouse receipts for butter 75 per cent of its market value. While it is not to be expected that upon general farm products such as hay, grain, fruit and vegetables they would loan so large a per cent of market value, the trend of legislation and of business practice is to make it easier for the farmer to borrow with land or produce as security. It is reasonable to suppose that upon warehouse receipts for general produce 50 per cent of the current market value would be advanced by local banks. Most farmers would not need such loans and it should be the policy of the warehouse to discourage them and to bring its patrons to such a financial condition that advances would not be necessary.

Each warehouse should have its board of directors and one man from each of the local boards should belong to a general board in control of the entire system or in a general section or along a railroad. The general board of directors should employ a general manager whose duty it would be to standardize the grading of produce at the different warehouses, to market it, and in general to look after, with such assistance as might be necessary, all the warehouses of the system.

The advantages of such a system of storage warehouses are evident: 1. The farmer could store in them, when roads were good and he had the time, all the produce he wished to sell. 2. His produce, graded and packed, either by himself or by the warehouse agent to suit market demands, would bring higher prices. 3. His produce,

*need of credit*

*warehouse management*

*advantages*

whatever the amount, would get the benefit of shipping and marketing in carload lots. 4. One of the chief duties of the general manager would be to study market conditions and sell the produce from the different warehouses so as to get the most for it. It goes without saying that such selling would give the farmer more for his produce than he gets by present methods. 5. These warehouses would give a place where farmers could store lime and other articles, purchased by them in carload lots. Under present conditions these frequently come when work is pressing or when the weather is bad. The car must be unloaded or demurrage paid and much inconvenience results. With a storehouse at hand the freight could be placed there and drawn home at leisure. 6. The farmer would be enabled to dispose of products he cannot use or sell with much profit now. The culls from apples could be turned into cider or vinegar and the culls from potatoes into alcohol. Not that this could be done at each warehouse, but at some of the warehouses plants could be installed to which such culls might be shipped and turned into valuable by-products.

These are all advantages that would accrue to the farmers and the shippers from such a system. But the railroads too would be benefited. Such warehouses would mean that farm products would be sent to the city week by week throughout the year, according to the demand of the customer and this would mean that the lack of cars which is now so annoying to shippers and railways in the fall of the year would no longer exist. Nearly all railways have enough cars to move the freight originating along their lines and also that coming to them from other railroads were it distributed as it should be throughout the year. It is a vicious system of shipping that demands a thousand cars in September or October or any other month and requires only a third of that number at other times.

I have spoken of some of the benefits to the farmer and the railroad resulting from such warehouses. The consumer would also be helped. Such warehouses built along a railway out in the country where land and labor are cheap are clearly the places where the food supply of the city, the products of the farm, should be stored rather than in the cities where such storage is expensive.

Everything shipped to the city before it is needed for consumption must be cared for at a greater expense than if left in the country until required. This additional and unnecessary expense is borne in part by the farmer, who gets too little for what he sells, and in part by the

consumer who pays too much for what he buys. It has been shown by those investigating the high cost of living in New York City that out of \$500,000,000 paid for food by the consumers, \$150,000,000 was for expenses and commissions after all charges up to and including the New York terminals were paid. Without doubt quite a large part of this immense sum was for storage of surplus products until needed.

In the plan I have suggested, the general manager would sell the produce stored at the regular warehouses. These sales would at first be to commission houses. Later, as he became familiar with the market, he would sell to retail grocers, hotels and clubs, and later still, if present social movements develop as seem likely, he would deal directly with agents buying for the housewives', consumers' leagues, etc. Thus gradually would the middleman disappear and the agent of the producer deal directly with the agent of the consumer.

The most difficult part of the plan I have outlined lies in the co-operation necessary among the farmers building a single warehouse and later among the directors of the several warehouses in managing the entire business. I do not for a moment suppose that such a system could or would spring up in a night or in a year, but I believe that some such system, with its plan of operation much like that I have suggested, is bound to come. It is feasible and much better than the methods or lack of methods now existing. Farmers are averse to coöperation, especially in the East where there is much less of it than in the West. There is needed here a campaign of education as to coöperative enterprises that are succeeding, relating especially to their place of organization and their method of doing business.

The agricultural departments of our railways could not do any better work for themselves, for the consumer and for the farmer, than to enter upon the education of the farmer in this matter of coöperation. There are thousands of successful coöperative enterprises in the United States, to say nothing of those, still more numerous, in other countries. Some of them, for example, the Eastern Shore of Virginia Produce Exchange, with headquarters at Olney, Accomac County, Va., are doing much the same work as would be done by a system of warehouses such as I have suggested. The railroad agricultural department has been working with the farmers for better crops; the next work for it logically to do is to show farmers how to market these crops in a better way.

## SOME ASPECTS OF FOOD CONSERVATION BY REFRIGERATION

BY FRANK A. HORNE,

President of the Merchants Refrigerating Company, New York, and Chairman  
of the Commission on Legislation of the American  
Association of Refrigeration.

There has been a remarkable reversal of public opinion in the past three or four years regarding the place cold storage and refrigerating have occupied with regard to the high cost of living.

The people, quite generally, led by newspaper agitation, entertained the idea that cold storage facilities were used to artificially control markets and increase prices; that foods were carried for long periods of time, and that the process was detrimental to the public health. It was then that the politicians appeared and various legislative proposals were introduced to control and greatly restrict the cold storage industry. In consequence of this situation and in response to the demand of the business men, whose legitimate enterprises were being unjustly assailed, a series of investigations and hearings were held which demonstrated beyond doubt that the popular notion and newspaper sensational attacks were entirely unfounded and erroneous, and that the cold storage warehousemen performed a useful public function in conserving our perishable foods, preventing deterioration and waste, by affording a scientific method by which the great surplus production of the flush season could be wholesomely preserved for consumption when nature rested from her labors and scant provision issued for the insistent and regular needs of mankind.

Then, too, it became apparent that the cold storage process, by enlarging the markets from the immediate time of production to the longer period of the year's cycle, encouraged the farmer to increase his yield, by making profitable his venture and led him to further develop the increasing outlets for his products. Thus to provide a means by which the maximum production can be carried forward a few months to the lean months, is no less a boon and a conserving instrument than is the transporting railway which brings the distant native food to those climes which fail to produce the necessities and luxuries of a bountiful table.

It is a significant fact and a tribute to the excellence of the service that until the extent of this means of preservation became known, the public believed that the out-of-season products they were using were of current production because of the quality and wholesomeness of the foods thus made available.

That was a wise maxim of Benjamin Franklin, that "A penny saved is a penny earned," and is applicable to the salvage of waste made possible by the use of refrigeration in all the processes of handling our perishable food products. In the old days before these modern facilities were made available, a period of flush production meant a glut in the market and large quantities of spoiled and utterly useless foods, which must be sent to the dumps and by reason of the losses, subsequent production was greatly curtailed. With cold storage at hand the contrary condition prevails with the possible elimination of waste where fully employed and stimulation of profitable production.

The extent of the facilities for the conservation of foods by refrigeration is indicated by the following figures from the *Ice and Refrigeration Blue Book*: In 1911 there were 860 public cold storage warehouses having about 169,541,000 cubic feet of storage space and representing an investment of approximately \$75,000,000. It is estimated that the value of goods stored in one year ranges from \$500,000,000 to \$700,000,000. Notwithstanding these large figures, it is calculated that not over from 5 per cent to 10 per cent of the annual production of such foods as eggs, butter, poultry and meats are placed in cold storage.

It is not difficult to demonstrate the proposition that refrigeration and cold storage are great agents of conservation of our perishable foods, but it is pertinent to inquire whether the dangers and objections to cold storage, which have been mentioned, really exist or are sufficient to overcome the conservation function. It will be well to consider the answers which the experts and scientific investigators give to these questions as presented in their testimony at the hearings and the other official investigations which have been held.

The statement that the cold storage warehouses helped certain interests to control prices is refuted by the testimony before the United States Senate committee on manufactures that the warehousemen generally do not own the goods—that in 27 leading warehouses during 1910 there were 9,380 storers, and that in one New York establishment there were 1,442 owners of goods stored.

That cold storage has had an injurious economic effect was further disproved by a study of average prices of butter and eggs by Mr. F. G. Urner, editor of the *New York Produce Review*, in which the market values of these goods for a period of ten years before the advent of cold storage were compared with a like period subsequent to the general use of refrigerating warehouses. The result of this inquiry was presented before the committee on manufactures of the United States Senate and appears on page 137 of their hearings. Mr. Urner's conclusions may be summarized as follows: "The per capita consumption of eggs at New York has increased largely since ample cold storage facilities became available." Also he says: "The average price of fresh gathered and storage eggs taken together were lower during the season of scarcity since cold storage has been available than were the prices for fresh gathered eggs before cold storage was available, notwithstanding a well known advance in the prices of nearly all commodities."

The Massachusetts commission on cold storage has this to say as to the effect of cold storage on increased production and price:

"The per capita receipts of the chief food products subject to cold storage handling, namely, eggs, butter and poultry, increased greatly in Boston and New York markets during the decade 1901-10, as compared with the decade 1881-90, prior to the general adoption of cold storage methods. This fact appears to indicate that cold storage has contributed to increase the volume of production." Again this report says: "The average prices of butter and poultry were lower in the second decade than in the first; the average price of eggs was slightly higher, but this fact is explained by peculiar conditions affecting the egg market."

With respect to the alleged injurious effect of cold storage on health, there is an abundance of scientific testimony to the contrary. On this phase of the subject the Massachusetts commission declared itself as follows: "Instead of being a menace to the public health, cold storage has, in the main, exhibited itself as a great agency for the conservation of the vital resources of the population. It has enlarged, diversified and enriched the food supply of the people. Without cold storage the crowded masses in the urban centers would be obliged to subsist on a dietary at once more meagre and more costly than that enjoyed at the present time."

There is much testimony of experts with regard to the whole-



someness of cold storage foods. The following may be mentioned as eminent advocates: Hon. James Wilson, ex-secretary of agriculture; Dr. H. W. Wiley, Prof. William. T. Sedgwick, of the Massachusetts Institute of Technology, Dr. Wm. J. Gies, professor of biological chemistry, and Dr. M. E. Pennington, chief of food research laboratory, United States Department of Agriculture.

The latter testified before the Senate committee that, in reference to poultry, "There would probably be a greater change in twenty-four hours if the temperature was from 65° to 75° F., than if the temperature was 10° F. for twelve months." Thus clearly indicating that waste, deterioration and loss occur through absence of refrigeration in the handling of these products rather than in period storage.

The common notion that goods are generally held for very long periods in cold storage is disproved by the report of the secretary of agriculture last year, showing the following average periods of storage:

	Months
Beef.....	2.3
Mutton.....	4.4
Butter.....	4.4
Poultry.....	2.4
Eggs.....	5.9
Fish.....	6.7

There has been no objection to proper and reasonable regulation such as supervisory inspection and publicity of holdings, and the fact that cold storage warehouses continue to thrive in spite of the crudities and burdensome features of some of the provisions of the cold storage laws, which have been enacted in several states, is a demonstration that cold storage preservation is a vital and valuable public utility and a vast agency of conservation in respect to the food products of the people.

## PREVENTION OF WASTE AND SEASONAL PRICE FLUCTUATIONS THROUGH REFRIGERATION

BY GEORGE K. HOLMES,

United States Department of Agriculture.

Cold storage was originally and primarily used for the purpose of preventing the waste of foods. The Indians of the northern part of what is now the United States, and of Canada, packed fresh meat in snow to avoid thawing. They were found doing this when the white race first came and the whites adopted the practice. In the course of time the whites had their ice houses, which provided cold storage facilities for milk and butter, fresh meat, berries and other foods for very short periods of time. The main object was to prevent waste. The extension of ice cooling to refrigeration in commercial use followed and also the packing of dressed poultry, fresh oysters and other perishable foods in ice for shipment.

As foods were placed in some sort of temporary cold storage to prevent waste, it was incidentally observed that their utility was extended in time. The importance of this to men engaged in handling food commercially was very great. With regard to the early commercialization of cold storage, the testimony of Mr. F. G. Urner of the Urner-Barry Company, publishers of the *New York Produce Review* and of the *New York Producers' Price Current*, is quoted:

The development of the cold-storage industry as a public utility in food preservation was gradual, and it is impossible to specify any year when it began to raise the price of the commodities stored during the season of greatest production, especially as the price levels during that season have been variable, ever since storage has been an important factor.

The greatest development of cold storage as a public utility began with the introduction of mechanical refrigeration shortly before 1890. From the latter date the development was rapid. I should say that the system was established as having an influence upon prices during the flush season somewhere from 1890 to 1893, but it would be a work of considerable magnitude to dig out statistics of values which would indicate a positive influence upon prices due to this cause; and, even if the price levels were found to have advanced during the flush seasons in one of those years, it would not be certain that it was due to cold storage, because there are other influences affecting prices that may be of equal importance, and, in considering these influences, it is very difficult, after a lapse of twenty years, to determine the controlling factors.

While I can not answer your questions specifically, my opinion would be that this influence was first felt some time between 1890 and 1893 in respect to fresh meats, dressed poultry, butter, and eggs.

So great has been the development of cold storage that it is now all but impossible to make up a complete list of commodities placed in such storage. These commodities are not only foods, but they include articles that may be destroyed by insects in the larval stage, and non-food articles that may be spoiled by bacteria. The purpose of this storage for some articles is exclusively to prevent waste; with regard to other articles the object is to prolong their commercial utility into seasons when their production is relatively low or has ceased. Notwithstanding the difficulties of compiling a large list, the attempt has been made with the result found in the list on pages 55-56.

Commercial cold storage has become so diversified and has so thoroughly entered into many lines of business that the number of public and private warehouses that provide facilities for such storage has grown to nearly 1,000 in the United States. In the absence of necessary information it is impossible to estimate the value of the commodities placed in these warehouses during one year, but the factors for making an estimate for fresh beef, mutton and pork, and butter and eggs have been roughly determined by the writer and these factors indicate that the value of fresh beef placed in cold storage in a recent year (mean of 1909-1910 and 1910-1911) was about \$15,000,000; of the fresh mutton, \$1,600,000; of the fresh pork, \$18,000,000; of the butter, \$40,000,000; and of eggs, \$64,000,000. The total wholesale value of these five commodities received into cold storage during the year was about \$138,000,000 at the mean wholesale prices of the year in many cities throughout the United States. The quantity of these commodities received into cold storage during that year has been computed to be as follows: Fresh beef, 131,000,000 pounds; fresh mutton, 20,000,000 pounds; fresh pork, 176,000,000 pounds; butter, 157,000,000 pounds; eggs, 296,000,000 dozens. If these quantities are compared with the production of the census year 1909, these fractions follow: Of the fresh beef, census slaughter, 3.1 per cent; of the fresh mutton, census slaughter, 4.1 per cent; of the fresh pork, census slaughter, 11.5 per cent; of the butter, census farm and factory make, 9.6 per cent; of the eggs, census farm production, 18.7 per cent; of the eggs, cen-

sus farm production plus one-fourth for conjectured non-farm production, 15 per cent.

Much definite information has been obtained by the writer for the National Department of Agriculture with regard to the business of the keeping in cold storage of fresh meats, dressed poultry, butter and eggs. This was obtained from cold storage warehouses in all parts of the United States and was stated by them in such form as to permit calculations that establish a great variety of results. These commodities have seasons of relatively high and relatively low production, a condition that makes them especially suited to cold storage for the purpose of taking them out of a period of natural high production and carrying them forward to the period of natural low production. According to the reports made by warehousemen, the principal months when fresh beef is placed in cold storage are September, October and November; mutton, August, September and October; butter, June, July and August, and sometimes May; eggs, April, May and June. Pork is quite well distributed throughout the year, and the prominence of winter receipts in cold storage is barely perceptible. Poultry is made up of diverse elements. Broilers go into storage from the latter part of August until November and roasters from October to December. There are, besides, the different varieties of poultry, including turkeys. November, December and January, and sometimes October, and even August and September are the heavier cold-storage months.

During the three heavier cold-storage months of 1910-1911, 47 per cent of the fresh beef placed in cold storage during the whole year was received into the warehouses, 59.8 per cent of the fresh mutton, 59.2 per cent of the dressed poultry (November, December and January); 70 per cent of the butter, and 79.4 per cent of the eggs. On the other hand, in the lighter cold-storage months of the same year, February, March and April, 10.3 per cent of the fresh beef placed in cold storage during the whole year was received into the warehouses; in May, March and April, 8.1 per cent of the fresh mutton; in May, June and July, 3.4 per cent of the dressed poultry; in February, March and April, 2.7 per cent of the butter, and in December, January and February, 1.4 per cent of the eggs.

The variations of seasonal production are little known by the general public. They are not so large as is often supposed for pork, butter and eggs. The Cincinnati *Price Current* collects statistics

of hog slaughter "in the West," and, based on these statistics, the mean monthly percentages of the annual slaughter for the nine years 1903-1911, are as follows, beginning with January: 10.7, 9, 7.5, 7.2, 8.7, 9.3, 7.7, 6.7, 6.1, 7.3, 9.2, 10.6; total 100. From the records of 197 creameries properly distributed geographically, obtained from the Dairy Division of the Bureau of Animal Industry of the U. S. Department of Agriculture, the following percentages of the year's production of butter in 1910 have been computed, beginning with January: 6.4, 5.5, 6.8, 7.9, 11, 12.5, 10.6, 9.6, 9.2, 7.9, 6.5, 6.1; total, 100. For the purpose of this study, all of the normal egg-laying records that could be found have been consolidated, and the production of each month has been converted into a percentage of the annual total. The percentages, beginning with January, follow: 6.6, 7.1, 12.4, 13.4, 13.3, 10.7, 9.6, 8.6, 6.2, 4.2, 3.1, 4.8; total, 100.

The length of time during which fresh beef, mutton and pork and dressed poultry, butter and eggs are usually carried in cold storage is a few months. This fact is established by the reports of many warehouses which contributed the information summarized in this article. Newspapers have led the public to believe that these foods are commonly stored during fabulous periods, but the facts are as herein stated. It is established that 71.2 per cent of the fresh beef received into cold storage in the year 1909-1910 was delivered within three months, 28.8 per cent of the fresh mutton, 95.2 per cent of the fresh pork, 75.7 per cent of the dressed poultry, 40.2 per cent of the butter, and 14.3 per cent of the eggs. Within four months after it was received, 86 per cent of the fresh beef was delivered, 42.7 per cent of the fresh mutton, 96.5 per cent of the fresh pork, 85.3 per cent of the dressed poultry, 53.4 per cent of the butter, and 22.6 per cent of the eggs. The percentage of receipts delivered in seven months is 99 for fresh beef, 99.3 per cent for fresh mutton, 99.9 per cent for fresh pork, 96.1 per cent for dressed poultry, 88.4 per cent for butter, and 75.8 per cent for eggs. Lastly, let the percentages for the deliveries of ten months be stated. These are represented by 99.7 per cent for fresh beef, 99.5 per cent for fresh mutton, 99.9 per cent for fresh pork, 98.9 per cent for dressed poultry, 97.8 per cent for butter, and 99.9 per cent for eggs.

There is always a carry-over of these commodities into the next natural storage year, due almost entirely to the reception into cold

storage near the end of the year. While the principal portion of the receipts into cold storage during the year are found in certain months of relatively large production, yet there are receipts during every month of the year and a large portion of those near the end of the storage year are carried into the next year. From the natural storage year ending August, 1910, 9.6 per cent of the receipts was carried over to the next year in the case of fresh beef; the percentage for fresh mutton for the natural storage year ending July, 1910, was 15.1 per cent; for fresh pork for the natural storage year ending April, 1910, 5.4 per cent; for dressed poultry for the natural storage year ending July, 1910, 7.7 per cent; for butter for the natural storage year ending April, 1910, 4.9 per cent, and for eggs for the natural storage year ending February, 1910, 0.2 of 1 per cent.

In the investigation of cold storage by the writer for the U. S. Department of Agriculture, some of the results of which are utilized in this article, the warehousemen reported the receipts and deliveries for each month of certain years, and consequently it is easy to compute the average time of storage. The fresh beef received into storage during the year beginning May, 1909, was kept there on the average for 2.28 months; the fresh mutton, 4.45 months; the fresh pork, 0.88 of 1 month, and the butter 4.43 months. The dressed poultry received during the year beginning March, 1909, was kept on the average 2.42 months; the eggs, 5.91 months.

If a portion of a product is withheld from consumption at a time of the year when production is relatively large and released for consumption at a time of the year when production is relatively small, the academic logic of the proceeding is that prices will be raised during the period of natural surplus and depressed during the period of natural scarcity, so that there will be in operation an equalizing force. Prices should be more even through the year than they were at a time when there was a glut in one season and a scarcity in another.

To test this logic with facts it is necessary to establish the mean wholesale prices of the six commodities under discussion, and such prices have been obtained for many cities of the United States and properly consolidated to form a single mean for each month from 1880 to 1911. This whole period is divided at 1893 and the price statistics of the preceding years have been consolidated to a

single mean for each month for each commodity. This period is distinctly an antecold-storage period.

The cold-storage period beginning in 1893 and ending with 1911 is subdivided into two periods at 1902 for the purpose of making a group of the more recent cold-storage years during which the business reached its highest development. These three periods are referred to conveniently as the first, second and third.

The mean prices established as already mentioned have been converted into index numbers by the process of using the mean monthly price of the year as a divisor and the price of each month as a dividend. Index numbers so computed stand for relative wholesale monthly prices and avoid expression in dollars and cents. A treatment of the problem by using prices expressed in money instead of in index numbers would thoroughly befog the matter for the reason that the purchasing power of money and also cost of production and the relationship between demand and supply have changed. It is only necessary to compare the mean relative prices of the index numbers for the first period with those for the third period to determine whether there has or has not been a tendency toward equalization of prices. It is evident that, if the prices for all of the months were the same, the index numbers would all be 100. Every departure from uniformity of prices in cents is a corresponding departure from uniformity of index numbers.

Let the first and third periods be compared for prices of fresh butter in New York, as compiled by the Urner-Barry Company. For 11 of the 12 months there was a tendency toward uniformity and for one month, April, a tendency away from uniformity of prices.

If the prices index numbers of the first period, which stand for fresh butter, are compared with those for cold-storage butter in the third period, it is evident that for every one of the 12 months there was a tendency toward uniformity of prices.

The evidence for eggs is similar, but not so strong. A comparison of the first and third periods for fresh eggs finds a tendency toward uniformity of prices in 8 months and away from uniformity in 4 months; and if the fresh eggs of the first period be compared with cold-storage eggs of the third period, there is a tendency toward uniformity of prices in 10 months and away from uniformity in 2 months.

Comparison may be made also for the consolidated prices compiled for many cities. Comparison is made between the first and third periods, and no cold-storage prices are included. There are 13 monthly quotations for each year, for the first of each month; January 1, following the calendar year, being included to round out the year.

For beef there was a tendency toward uniformity of prices for only 3 of the 13 months; for mutton, for 9 of the 13 months; for pork, for only 3 of the 13 months; for dressed poultry, for 8 of the 13 months; for butter, for 11 of the 13 months; and for eggs, for 9 of the 13 months. The general fact may be regarded as established that there was a tendency toward uniformity of prices for four of the commodities, and that there was a contrary tendency for fresh beef and fresh pork. The abnormal circumstances affecting the slaughter of cattle and hogs in the third period very likely account for the apparent exceptions of fresh beef and fresh pork to the general fact of tendency toward uniformity of prices. At any rate there is no evidence that the tendency away from uniformity of prices for fresh beef and fresh pork was due to anything done by the great packing-houses.

It is only by comparing the mean of a period of years with the mean of another period that the broad principle with regard to this matter can be established. If two adjacent years are compared, the results will differ more or less from those for the averages of periods of years, as appears in the following comparison: The period from October, 1909, to October, 1910, was a fairly normal one in the matter of production, supply, and price of butter and eggs, but more or less abnormal with regard to fresh meats. The year from October, 1910, to October, 1911, was abnormal for butter and eggs, as well as for the other commodities. There was a marked tendency toward inequality of prices from the former to the latter year in the case of beef, pork, butter and eggs, and a tendency equally marked toward uniformity of prices in the case of mutton, while in the case of poultry, there was a perceptible, but not pronounced, tendency toward uniformity of prices.

It is therefore apparent that the contention of the cold-storage interests that cold storage has counted for uniformity of prices is largely true, but it is not true for all commodities nor for all comparisons of years and periods.



The problem is a complicated one and the factors are not all ascertainable, or certainly not with definiteness. That there should be, *a priori*, a tendency toward equalization of prices under the régime of cold storage in comparison with the antecold-storage period has seemed a logical conclusion to many intelligent men and has been the contention of the cold-storage interests. May it not be that the logic of the matter is disturbed by its human element, by the psychology of trade? The customer of the cold-storage warehouse who buys butter in June and places it in cold storage to be sold at some future time must receive a higher price per pound than he paid for it to cover costs and return him a profit. The expectation that he will do so is solely the reason why he is engaged in the business. It depends upon his judgment, whenever any future time has become present time, whether he will receive his highest rate of profit by selling now or by deferring sale until another future time. But all men who have bought butter and placed it in cold storage for future sale may or may not have the same judgment, and herein may be found room for regularity or irregularity of prices, or a tendency toward or away from uniformity, one year compared with another, and one period of years compared with another.

*The opportunity*

#### COMMODITIES PLACED IN COLD STORAGE

Ale	Bluing	Citrons	Figs
Ale (ginger)	Brussels sprouts	Clam broth and	Fish, canned
Anchovies	Buckwheat	juice	Fish, dried
Apples, evaporated	Bulbs	Clams	Fish, for bait
Apples, fresh	Butter	Cocoanuts	Fish, fresh
Apple waste	Cabbages	Confectionery	Fish, pickled
Apricots	Canned foods	Crabs	Fish, smoked
Aqua ammonia	Cantaloupes	Cranberries	Flour
Asparagus	Carrots	Cream	Flowers
Bananas	Catchup	Cucumbers	Fruit juices
Beans	Cauliflower	Currants	Fruits, California
Beans, string	Caviar	Cymbblings	Fruits, candied
Beef extract	Celery	Dates	Fruits, dried
Beef, fresh	Cereals	Eggplant	Fruits, fresh
Beer	Cheese	Eggs	Furs
Beets	Cherries	Endive	Game (meat and
Berries	Chestnuts	Extracts, flavoring	birds)
	Cider	Ferns	Grape fruit

Grapes	Melons	Peppers	Sirup, maple
Gutta-percha	Milk	Pickles	Sirups
Herbs	Milk, condensed	Pineapples	Skins
Holly	Mucilage	Plants	Smilax leaves
Honey	Mushrooms	Plums	Spinach
Hops	Mustard, French	Pork, corned hams	Sponges
Horseradish	Mutton, fresh	Pork, cured hams	Squashes
Ink	Nuts	Pork, fresh	Strawberries
Jellies	Oil, olive	Potatoes, Irish	Sugar, maple
Kale	Oils	Potatoes, sweet	Sweetbreads
Lamb, fresh	Okra	Poultry, dressed	Tangerines
Lard	Oleomargarine	Preserves	Thyme
Laurel leaves	Olives	Provisions	Tomatoes, canned
Leeks	Onions	Prunes	Tomatoes, fresh
Lemons	Oranges	Radishes	Trees
Lettuce	Oysters	Raisins	Turnips
Limes	Parsley	Rhubarb	Veal
Lobsters	Parsnips	Rice	Vinegar
Macaroni	Paste	Rose bushes	Watermelons
Mandarins	Peaches, canned	Salad dressing	Waters, mineral
Meats, dried	Peaches, evaporated	Sauerkraut	Wines
Meats, fresh	Peaches, fresh	Sausage casings	Woolens
Meats, pickled	Peanuts	Scallops	Yarn
Meats, smoked	Pears	Shallots	Yeast
Medicines, drugs, etc.	Pease	Shrimp	
		Shrubs	

# RELATION OF JOBBERS AND COMMISSION MEN TO THE HANDLING OF PRODUCE

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So long as each locality produces its own food supply, the problem of distribution is very simple. Either there is no distribution at all, viz: each consumer produces his own supply or there is direct sale by producer to consumer as in the old time fairs, or there is at most a local merchant who acts as an intermediary. A jobber or commission man does not fit into such a simple local economy and this explains the absence of such middlemen until about the beginning of the eighteenth century.

It is only as economic changes tend to broaden markets beyond the producing localities that the need for a larger distributive machinery arises. Such a widening of the market along geographical lines was a characteristic change during the eighteenth and nineteenth centuries, mainly as a result of improvements in canal and railway transportation. A still further widening of the market has taken place during the last three or four decades, mainly as a result of improved means of refrigeration, but the latter extension of the market has been one of time rather than of space.

That the widening of markets, made possible through improved transportation and refrigeration, is desirable will scarcely be questioned by those who are conversant with the limitations and instability of conditions under the early local economy as contrasted with the variety in supply and the greater stability in prices of the larger markets. The form of distributive machinery that is best adapted to the needs of the enlarged markets is, however, not so clear.

It is the purpose of this paper to explain the relation of the commission man and jobber to the handling of produce in the enlarged markets of today, and to discuss some of the problems that have arisen in connection therewith. By commission man is meant an agent stationed at a primary market for the purpose of receiving consignments from shippers at a distance and disposing of the same at a stipulated rate of commission on the selling price. The term

jobber is used to apply to those dealers in the primary markets who buy outright from shippers at a distance, either through traveling agents or according to mailed quotations and who sell to retail agencies or to other jobbers in the same or in other primary markets.

A survey of the agencies handling produce in our primary markets twenty or thirty years ago discloses very few jobbers. Practically the whole field was held by the commission man. It was he who acted as the sole intermediary between the local shippers and the retail agencies of the cities during the initial widening of the market. The advent of the jobber into this line of business came at a later date.

To understand why the commission man rather than the jobber first entered the primary market in the handling of farm produce we must bear in mind the degree of hazard which was then involved in such business. The fact is that no one cared to buy farm produce outright from distant shippers because of the risks involved. The only kind of business which then attracted men was that of an agent who could command a commission in proportion to the amount of produce handled without incurring at the same time any liability regarding the quality or safety of the product. This meant that all risks involved had to be borne by the local shipper.

An explanation of the factors contributing to those early risks requires the enumeration of a number of hazards. In the first place, the physical condition of the produce as it left the various farms was a matter of great uncertainty. Farmers had only the vaguest knowledge as to the demands of the market and would mingle produce of various grades and of various stages of ripeness or unripeness. The method of packing was equally unsystematic. The country merchant added poor handling and additional delay to the movement of the produce while the train equipment and slow movement of freight generally rendered extremely doubtful the quality of that portion of the produce which eventually reached the primary market.

Then, too, there were grave moral hazards as well. Any one familiar with this line of work could not fail to be impressed with the general lack of a sense of business integrity on the part of both the producer and the local shipper. Assurance might be given of the shipment of produce of high grade quality while the distinguishing characteristic of the returns would be oftentimes an utter lack of such quality.

The lack of a moral business sense on the part of the producer or local shipper was not only equalled but greatly exceeded by that of the average commission man handling the produce in the primary markets. However, it is only as we realize the peculiar position he occupied, that we can appreciate the practices usually attributed to him.

The commission man was far enough away from his principal to feel reasonably free from surveillance of any sort. He could report account sales on initial shipments so as to indicate big returns and having thus gained the confidence of shippers for further business, juggle the returns on large consignments to his own pecuniary advantage. It would naturally be his endeavor to handle as big a volume of produce as possible regardless of the care given to it in as much as his own income varied with the amount of the traffic. There was similarly an inducement for him to spread his own margin of gain beyond the nominal rate of commission by reporting the sale of produce at grades lower than those actually secured or by reporting sales at current prices when actual receipts involved an additional premium.

Such a system placed the local shippers at a grave disadvantage, of course. They were represented at a distance by men whom they did not know and in transactions they could not scrutinize. Fortunately for them another avenue through the primary markets eventually opened up. This came with the advent of the jobber.

It was, however, only after changes had made possible the movement of produce with care and dispatch between local sources of supply and the central distributing points that the jobber was induced to enter the field and buy outright. Previously, the extent of the risk involved had rendered it seemingly impracticable to open up a jobbers' avenue of trade through the primary market.

The earliest attempts at buying produce outright from primary markets were made by men who actually entered the local sources of supply and made purchases from local shippers. These field men would handle a variety of produce, some for purchase and some for sale.

Because of the limited amount of each kind of produce handled it was necessary to distribute the field-man's expenses over a variety of both purchases and sales in order to carry on the business successfully. Only after a personal knowledge of the character of the local

shipper had been gained and after the produce itself had been standardized so as to be identified with well-known grades, could the buying through field-men be supplemented by purchases through mailed quotations or through calls by telephone or telegraph. Even then, however, the use of actual field service continued to be employed in order to secure or hold trade in competition with other agencies in the same line of business. The specialized form of field work where men devote their buying to some single product, as in the case of the modern strawberry man, is a comparatively recent development and is limited to products subject to a high degree of localization and specialization.

In another respect, too, from the standpoint of the local shipper, the jobber's avenue of trade presented an important contrast to the older route, that via the commission man. Instead of the assumption of risks incident to consignments on commission the local shipper naturally preferred the security of actual sales. The result was a gradual displacement of commission business by that of jobbing wherever the latter found conditions for buying suitable. This change took place partly by the entry of new men into the jobbing field but often by a change in methods of doing business from commission to that of jobbing.

While a considerable number of produce men who began buying on a commission basis took up jobbing later, it was not uncommon to find a combination of both methods employed by the same firm. Dealers might handle certain lines on commission and buy other produce outright. Again a given commodity might be bought and sold in job lots at certain times and be taken in only on a commission basis later under different conditions. Such combinations of commission and jobbing business are still a common practice in all our leading trade centers.

The most important influence directing changes between the commission and jobbing methods of doing business is the movement of prices. Thus, during a period of uniform or rising prices, the jobbing business is encouraged whereas the conditions of oversupply leading to falling prices so far increase risks as to discourage jobbing and induce the dealer to accept shipments only on a commission basis.

Nevertheless, jobbing has so far become established now in the produce business as to make it the rule and commission buying the

exception in the handling of perishable products at our leading primary markets. The extent to which the jobber has displaced the commission man is more noticeable in Chicago and the twin cities than it is in New York City. The main explanation for this will be appreciated more fully after we have discussed the problems connected with the handling of surplus stock. At this time it is sufficient to state that the mere size of the New York market, enabling it to absorb large shipments at a relatively small change in prices, makes it seem the least risky place to consign produce that must be sent on commission. It should also be noted that where jobbing and commission business exist side by side in the same market, the latter is now practically confined to the lower grades of produce.

Not only has jobbing increased as compared with commission business, but competition among jobbers in the buying field has become very keen and has led to peculiar developments along certain lines. Thus, in the case of butter, we have an interesting situation revealed in connection with the practices of the recent butter board at Elgin. The tendency of that board to publish prices below those at which sales were actually made naturally aroused the indignation of the public. Nevertheless, the exact reason for such a procedure can only be understood in connection with the buying practices of the jobbing houses. Competition in securing or holding trade from local shippers had gradually led jobbers to offer premiums in the purchase of butter, such premiums to consist of a given margin above the Elgin quotations. The thought of getting a premium above market prices was, of course, attractive to local creameries, since it enabled them to make a good showing on the quality of the butter. To the extent that the same jobbers could have the market quotations as determined upon by their own board at Elgin appear lower than actual sales warranted, the offering of premiums was an easy matter. However, after action was later taken by the courts against the practice of the butter board, leading to a dropping of official quotations and to the publication of actual sales on the street, the practice of offering local shippers an apparent bonus over the market price has had to be modified accordingly.

Thus far our discussion of jobbing has centered mainly on the relation of the jobber to the source of supply. Attention will now be given more particularly to the selling activity of the jobber.

Two sets of problems confront these middleman agencies in the

sale of their produce: (1) the disposition of regular supplies through a more or less well-developed trade and (2) the unloading of additional amounts of produce at times of a surplus.

To meet the demands of regular buyers it is oftentimes necessary to work over the produce in order to put it in a condition that will appeal to the trade. It is also necessary to deliver the goods in the desired amount at the time and place it is wanted.

Relatively little attention was given by commission men twenty or thirty years ago to the work of sorting and repacking produce. The tendency was to pass it on to city retailers in much the same condition it was received by the commission man. This meant that the retail agencies were called upon to do whatever sorting or packing was demanded by the consumer.

In order to get the trade of the city retail agencies and to take advantage of the better prices which go with standardized goods, the jobbers soon took up the work of sorting and repacking. Whenever a gradual improvement has taken place in the quality of shipments from sources of supply the margin of gain from this kind of work necessarily becomes less. The amount of work of this kind, however, which still must be done on produce as it passes through the hands of jobbers, represents an appreciable part of the cost to the consumer. Any attempt to explain the middleman's margin must not overlook the items of cost arising in this way.

When the jobber sells to retail agencies he must also deliver the produce in desired amounts and at the time and the place it is wanted. Accordingly such jobbers must be equipped with a suitable delivery service. Here, again, competition between jobbers has involved a comparative test in the quality of service rendered. The horse and wagon were the usual equipment for many years but have rapidly been displaced by the motor-truck. The use of the latter by certain firms practically compels its use by all the competitors. One of the most sweeping changes in recent years among wholesale and jobbing houses at the various primary markets is that of the displacement of the horse and wagon by the motor-truck.

The jobber's task of disposing of surplus stock introduces a number of problems. He must find a way of unloading certain supplies within his own primary market because the condition of the produce will not permit its movement to other centers of trade. On the other hand, wherever a given primary market is overstocked as



compared with others, he directs his shipments so as to equalize conditions of supply in the distributing centers so far as such movement is practicable. Let us first consider the situation within a given primary market.

The demand from jobbers through the regular retail agencies varies considerably. This may be due to the uncertain manner in which the retailer distributes his wholesale orders. More generally it is due to the variations in purchases from retail stock by the consumer. Only one illustration of the latter is sufficient to emphasize this. If the weather is attractive and housewives venture forth in large numbers so as to see the produce for sale at the various retail agencies, the latter can count on an unusually heavy demand for such goods. On the other hand, if weather conditions suddenly become unfavorable thus tending to keep a great many customers at home, much less than even the ordinary demand is reflected in the sales of the retailer. While such a reaction on the business of any retailer may not seem of very great moment, the combined effect of such variations in all the retail agencies drawing on the supplies of a given jobbing firm means considerable variation in the business of the latter agency. This shows one way in which the problem of unloading a surplus is presented to the jobber.

Then again, the sources of supply are even still more the source of variability. This is partly explained in the relative instability of business practices by local shippers in handling produce and partly due to the seasonal variation in production itself at sources within reach of the jobber's trade.

The variations thus noted both in demand and supply show the need of some outlet for surplus stock. Assuming shipments to other primary markets impracticable, the jobber may partly satisfy this need by exchanges with other jobbers in his own center of trade. He may also unload on certain agencies other than the regularly established retail stores.

Formerly, the street peddler served the latter purpose to a large extent. By bringing his goods out into the consumers' territory it was possible to create a demand for produce beyond what would have been effective through the retail stores alone. At the same time, it is true that the peddler's business consisted partly in a displacement of the retailer's trade.

One of the noticeable changes in the city distributive machinery,

especially during the past decade, is a remarkable falling off in peddlers' business as it relates to the handling of produce. This change is doubtless due mainly to modifications in the wants of consumers themselves. The housewife who once was alert to the traffic of the street-vendor has largely become oblivious to his movements either because the exposure or quality of the peddlers' wares no longer appeals to her or because the orders by telephone or through the retailer's delivery service seem more in keeping with her social status.

With the passing of the produce peddler, the unloading of surplus stock by jobbers has had to be augmented in other ways. No doubt the advent of the chain stores and the produce branch of department stores has aided in this while, at the same time, increasing the regular trade. Moreover, the growing practice among the retail stores themselves of using their delivery service in soliciting orders and in calling especial attention to stocks they are anxious to move promptly has greatly increased the elasticity in demand placed upon jobbers by the retail trade.

Thus far the problem of unloading a surplus within a given primary market has assumed a high degree of perishability in the produce making necessary its immediate movement into the field of consumption. As a matter of fact, the most important development in the handling of produce during the last three decades has come through improvements in the art of refrigeration and a consequent lengthening of the period that perishable products may be held in the channels of distribution before going to the consumer. Moreover, such storing of foodstuffs has furnished the most effective means of solving the problem connected with the handling of the surplus.

It is natural therefore that jobbers should be actively interested in the progress of refrigeration as applied to products they handle. Anyone present at the sessions of the International Congress on Refrigeration held in Chicago in September, 1913, could not fail to observe the interest taken by jobbers in the deliberations of that body. Among the most intelligent questions asked regarding the technique of refrigeration processes or regarding the proper physical and chemical condition of produce to be placed in refrigeration were those from men actively engaged in the jobbing business.

For most of the fruits and vegetables handled by jobbers, the season of production in the source of supply is but a minor fraction

of the period of time during which jobbers are called upon to supply the same to the retail trade. Holding goods in cold storage has thus become a necessary part of their business. It means that they must render available during seasons of scarcity the amounts of produce sufficient to meet the consumers' demands and for this purpose they must anticipate prospective needs during periods of plenty and build up reserves accordingly. To do so successfully they must be able to unload later at an advance in price sufficient to cover additional costs for rent, interest and insurance as well as a margin of return for the risks incurred.

The risk feature becomes magnified when we remember the large number of agencies storing produce independently with only a vague knowledge of the actual supply held over for the future market. Not only is the amount in storage unknown but the various contingencies affecting the time and amount of additional future supplies are always a matter of grave uncertainty. The last-named difficulty was clearly exemplified during the winter of 1913 in connection with the storage of eggs. Unusually mild weather early in the winter had suddenly augmented fresh supplies rendering exceedingly problematical the unloading of storage eggs whose supply under normal conditions would not have been excessive. Although jobbers began to cut prices relying on elasticity of demand to remove the stored goods with sufficient dispatch, the retail agencies were more tardy in reducing their figures because of an unwillingness to sell at a loss. This explains why certain jobbers were ready to make terms with other avenues of sale such as that created by women's clubs in some of our leading markets.

Where jobbers dispose of their surplus by placing it in cold storage they are confronted with the need of setting aside the amount of capital represented by the stored goods. Few jobbers command the necessary money without resorting to borrowing. The usual course in this connection has been a resort to loans at the banks. However the rise of large storage companies with superior facilities for credit has introduced important changes in this respect.

Jobbers in the leading primary markets now often secure loans directly from storage firms who in turn arrange loans at lower rates with the banks. Similarly, in securing the protection of insurance on the stored goods, jobbers find it advantageous to get their insurance from the same storage firm which is enabled to take out at less

cost with an insurance company a large and long-time blanket policy sufficient to cover all the policy risks assumed for jobbers.

The discussion thus far has concerned the handling of a surplus more or less restricted in its use to a given primary market. However, the application of modern means of refrigeration to the handling of produce in transit has greatly facilitated the movement of such surplus stock between the various primary markets as well until we now have nearly a nation-wide movement of most of our fruits and vegetables.

This wider movement of surplus stock cannot be undertaken by jobbers without the use of facilities involving great increase in expense. It is necessary to know from day to day the supply conditions of each of the primary markets and this alone involves an outlay for telephone and telegraph expenses, the fixed charge of which it is impracticable to incur unless the jobber conducts his shipments between the primary markets on a sufficiently large scale. Then, too, this wider movement necessitates a knowledge of freight schedules and rates and of commercial practices that do not concern the dealer who limits his attention to a given trade center.

Our discussion has revealed the complexity of services devolving upon the middleman agencies in our modern distributive system. If the cost is to be reduced, such services must either be partly or wholly eliminated through changes in the wants of consumers or they must be rendered more efficiently either through other agencies or through some regulation of existing agencies.

Instead of passing produce through so many hands on its way from the producer to the consumer, some believe that a more direct route could be devised. It is generally conceded that the individuals performing the aforesaid middleman functions have not revealed any conspicuous affluence in wealth. At the same time many have come to regard the machinery as too cumbersome and expensive. An actual increase in the use of direct shipments recently from local sources of supply to the retail agencies in the cities and even to the consumers themselves has invited added interest in the possibility of a further extension of direct shipments.

The use of direct shipments implies, however, that the produce in question is graded according to quality so that it can be designated and bargained for without previous inspection. This means that the functions of sorting and packing as they are performed by job-

bers or city merchants must be undertaken and carried out in a satisfactory way by producers or local shippers.

Direct shipment also implies that information is at hand so that buyers and sellers of a given kind of produce may be able to find each other and agree upon conditions of sale. In order to render information available so as to bring buyers and sellers together, some states such as Kansas and South Carolina have appointed state officials who are expected to act as clearing houses of information for this purpose. Generally, however, the producer or local shipper is left to build up his own direct trade in the cities by furnishing such quality and service as to command a special demand for his produce or the city retailer must find such local shippers. However, the building up of such trade also implies that the necessary confidence exists between the buyer and seller in matters pertaining to the sale. 2

Again, direct shipment implies the availability of suitable and practicable shipping facilities. The present system of differential freight rates giving special rates in carload shipments is financially profitable from the standpoint of railway economy and is favorable to the indirect jobbing method of handling produce. On the other hand, the relatively high level of express charges has not given encouragement to any appreciable amount of direct shipment of produce. 3

The most momentous change recently in this direction is the extension of the parcels post. Already there has been a rapid increase in the movement of parcels on terms such as to greatly facilitate the direct shipment of produce.

However, having given all the above mentioned requirements, direct shipment also implies a willingness on the part of both seller and buyer to give attention to all the necessary details of such a system. This assumes vastly more than the great body of either producers or consumers have shown themselves willing to undertake. 4

While, therefore, we may doubtless look for a noticeable extension in the use of direct shipments, such extension is not likely to be carried beyond a minor fraction of the business as a whole.

An important reason for such limitations lies in the fact that the direct method of shipment has not as yet dealt successfully with the problem of handling surplus stock. On the other hand, the very agencies using the direct method of shipment have had to resort to the use of the indirect jobbing or commission system in dealing with a surplus. 5 -

While shipments direct from producers to consumers are likely to continue to cover a minor fraction of the total trade, the usefulness of such a system is not limited to the portion thus handled. A most important influence will be exerted in a sort of a regulative way on the methods of jobbers and commission men. In other words, the danger of a control of the supply by middlemen will be greatly minimized through the potential competition of a direct method of shipment.

While the limitations of the system of direct shipments have thus been discussed in order to indicate more clearly the relation of jobbers and commission men to the handling of produce, it is interesting to notice how the organization of certain producers themselves for marketing purposes has enabled them to do a part of their own jobbing. The most notable example of this kind is that of the citrus fruit growers. Even these, however, with their highly perfected form of organization find it necessary to make use of the existing middleman machinery at the various primary markets.

Finally, assuming the limitations of the direct method of shipments including that of the extension of producers' and consumers' organizations, will the commission and jobbing agencies render efficient service without any other checks than those of active and potential competition? That something more is necessary is implied to the extent that public regulation has been applied to the business of these middlemen. Such regulation has been applied in two ways. In the case of the commission business, state regulation has been provided in some instances as in Minnesota and New York compelling commission merchants to be licensed and bonded and subjecting their accounts to inspection by state officials in case of complaint from local shippers. The problem suggested in this connection is whether it is desirable and practicable to extend the regulation of commission business so that the accounts of such firms are inspected regularly in some such manner as that applied to banking institutions. The same problem arises in connection with the storing of surplus stock by jobbing or other agencies. In the latter case, the public interest is affected not only by the possibility of abuses such as the misrepresentation of storage goods as if they were fresh, but also by the extent to which a concentration of surplus stock may lead to a control of the supply.

# WHOLESALE CITY DISTRIBUTION OF FARM PRODUCTS

BY FRANK G. URNER,

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I have been urged by the editor of *THE ANNALS* to discuss the function of the produce commission merchant. It will be impossible to do more than scratch the surface of the subject. The commission merchant is, in many lines, becoming so amalgamated with other classes of distributors that he must be considered in relation to the whole system of distribution. So I have changed the title and shall endeavor in as few words as possible, to set forth some of the facts, feeling that no adequate discussion can be given in so brief a paper.

The directness of movement of farm products to consumers depends largely upon the location of the consumers in relation to the sources of an adequate supply. Farmers can market a small part of their productions directly to consumers in their immediate neighborhood, and through only one intermediate agency in nearby towns. But the great centers of population must draw their supplies from great distances and the distribution here involves the necessary services of a larger number of agencies although in the development of modern business systems these may be more or less combined under a central head and management.

The number of agencies required in the city distribution of farm products depends upon the magnitude of the population, the diversity of its wants as to qualities and service, and the degree to which the system of distribution is developed; also upon the character of the various products.

In a great city, drawing its supplies from a territory as wide as the nation, and from foreign countries, individual dealing in small quantities between producers and consumers is manifestly impossible as an economic proposition applying to the general supply and demand. For economical transportation the products must be, as a rule, shipped in car lots, often under refrigeration. In some instances this may be done by the producer but many articles are raised in smaller quantity and must be amalgamated and prepared for shipment by separate business enterprise. Upon arrival in the great cen-

ters of consumption consignments must, as a rule, be divided into smaller quantities as needed by retail distributors and separated into different grades so that each may be directed to an appropriate channel of outlet. There is manifestly a need here for a class of wholesale receivers and the directness with which the products can pass from them to the retailer depends largely upon the character of the goods, the manner of packing and the reliability as to uniform quality. Retailers ordinarily buy a great variety of kinds of produce but comparatively small quantities of each at a time, owing to their perishability; and they demand uniformity of quality so far as it is possible to obtain it, in order to satisfy their customers. Retailers can and do buy some articles of farm produce from the first hand receivers or importers but the greater part of the city supply of most descriptions is of irregular quality and requires to be rehandled and graded in order to make it acceptable to retailers. To do this is the function of the wholesale jobber. We have, therefore, three agencies of city distribution, considering the great bulk of the farm products going into city consumption—the wholesale receiver, the jobber, and the retailer.

Primarily, as the cities grew to a magnitude demanding these agencies, the lines of demarkation between them were quite distinct, and of the wholesale receivers, especially those engaged in the receipt and sale of domestic productions, most were commission merchants, acting solely as agents for producers or shippers who bought from the latter at interior points. Thirty years ago most of the wholesale receiving houses handled the great majority of the farm products in a purely agential capacity and the charge for selling wholesale lots to jobbers, in town or out, was usually 10 per cent for fruit and vegetables and 5 per cent for butter, cheese, eggs and poultry.

As the years have passed, however, changes have occurred in the character of the business done by a large part of the wholesale distributors, under the stress of a normal competition which constantly tends to grind out of the distributing machinery all unnecessary factors. Under this competition the lines of demarkation between wholesale receivers and jobbers have become indefinite and are tending toward obliteration in respect to all goods so graded and packed at primary points as to satisfy the demands of dealers nearer to the point of consumption. Jobbers, in the effort to obtain supplies more cheaply, have reached out to primary sources of supply, over the heads of the wholesale receivers; and the latter, in order to maintain their



hold upon supplies, have reached out over the heads of jobbers for outlets to retailers, so that the two classes of trade, formerly distinct, have tended toward a unification. But in respect to a large part of the farm products, especially such as are of the most perishable nature, this more direct movement has not yet become possible, and at the present time we find in the large markets not only commission merchants and jobbers but also many wholesalers who perform both functions, and many who besides acting as agents for some producers and shippers deal also in the products for their own account.

There is, of course, a material difference in the principle of business involved in the commission and jobbing trades. The former is based upon agency, the merchant handling the property of other owners and deriving his recompense from a definite percentage charge against the proceeds of his sales; the latter is a merchandising proposition in which the goods dealt in are bought and sold, the recompense being derived from such profit as may be obtainable. Theoretically the two forms of distribution are not compatible in a single house for the value of an agent's services to his patrons is lessened by the personal interest that arises from his dealings, for his own account, as owner, in the same class of goods. But the wholesale distributing trade is now in this somewhat anomalous condition. Wholesale jobbers, whose normal function is to buy, assort and sell in broken lots, when drawing supplies from primary sources, widely scattered and often distant, are often obliged to resort to some means of settling values on consignments other than the separate negotiation as to the price terms usually normal to purchase and sale; and commission merchants, under the stress of competition with more direct outlets, and a gradual reduction in the charges for purely agential services, have come to depend at least partially upon the profits to be realized from merchandising. Purchase and sale for own account on the part of nominal commission merchants have also been encouraged by the demands of producers and shippers for immediate returns and the competition to render such returns in many cases before the goods could be sold.

The change from a purely agential handling of farm products by first hand receivers to a merchandising system, or to a mixed system in which goods are handled both on commission and for own account, has doubtless been favored also by the development of cold storage preservation; for the speculative element inherent in this

business, while open to all, is most naturally undertaken by handlers who are best fitted through the broadness of their connections and experience to judge of market conditions and the relation of current to prospective values.

While the mixture of agential and merchandising business in wholesale, first hand distribution is theoretically unsound it seems to be an inevitable accompaniment of the gradual progress toward the more direct movement of products from producer to consumer, in the final development of which the agency feature is likely ultimately to disappear, or to be confined to the most perishable commodities in which two wholesale classes of distributors may continue essential.


It is probably a safe conclusion that the number of distributing agencies cannot be lessened any faster, nor to any greater extent, than is naturally being done through the forces of business competition; and that such possible elimination is limited by the amalgamation of the wholesale receiving and jobbing trades which is already largely effected and which is being extended as to products of the less perishable nature as rapidly as improvements in their uniformity of quality permit.

Furthermore, while there must always be a wholesale distributing agency in large cities between the producer or shipper and the retailer, there is opportunity for the performance of all the distributive functions between wholesale receipt and sales to consumers—even of all between producers and consumers—by single generalized establishments, either proprietary or coöperative. The opportunity for this important development has not lain fallow but has been largely put into effect in business enterprises that are constantly being extended, and in which all the necessary distributive functions are performed, including the collection of products from producers at widely separated points, the preparation for shipment, the wholesale receipt in centers of congested population, the separation into uniform grades and the final distribution in small lots to consumers through chains of retail stores. Such establishments have an economic advantage under efficient systemization and management which redounds to the advantage of consumers and producers as soon as they become numerous enough to create an equality of competition and so long as such competition is maintained.

So far this development of complete amalgamation of distributive functions has been carried the furthest in the less perishable

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kinds of farm products, or those whose preservation has been extended by the use of refrigeration. There would seem, however, to be opportunity for further development of similar character in the distribution of even the more perishable productions. But however the growing hand of business enterprise may grasp the various functions of distribution and combine them under a central management, the wholesale receipt and classification and the retail distribution must remain as distinct departments of such enterprises, and, because of the great magnitude of the traffic, it will doubtless be long before individual business efforts, specialized in either department, will cease to be profitable under careful management. The wholesale commission merchant, also, will continue to perform a useful and necessary function so long as large quantities of farm products reach the market in widely irregular quality and condition, so as to require variable channels of outlet.



## THE COST OF DISTRIBUTING GROCERIES

By E. M. PATTERSON, PH.D.,

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Current discussions of the cost of living and experiments in reducing it find the position of the retail grocer very strong. There is a demand for his services and no plan that involves his complete elimination can succeed. Mail order houses and factories selling direct to the consumer have taken a part of his trade but thus far they are able to do nothing more than lessen his business. They are not able completely to displace him. Coöperative stores and the chain store are merely modifications of the retail store and not at all a substitute for it.

The reason is to be found in the nature of the demand for the grocer's services. The housewife lacks a large store room and so must buy in small quantities rather than in bulk. A limited supply of cash makes impossible large purchases from a distant point. Vegetables and fruits must be fresh, while many articles are not sufficiently standardized to be purchased without examination. Unexpected guests and other emergencies create demands that must be promptly met. A lack of foresight in buying makes a local supply a convenience if not an actual necessity. These reasons and others seem to insure a steady, continued demand for the retail grocer.

This demand, however, is merely a demand for a local supply of groceries, vegetables and fruit and not a demand for highly skilled service. A grocery store offers the opportunity for a very high degree of efficiency. Care in purchasing only the goods for which there is a demand and in the proper quantities, skill and tact in securing and retaining customers and discrimination in the extension of credit call for business foresight and ability. Yet it is possible to conduct a grocery store with very little capital and with no experience. Two hundred dollars will purchase a fair stock of goods, while an even smaller sum may be invested in a few groceries to be carried as a side line in connection with a meat shop or a delicatessen store. Lack of experience may be a handicap but it does not debar any one from starting business.

As a result the retail grocery field is highly competitive. Entrance is easy. Although customers may be few and profits nil, the store may continue for a considerable period. The wife or the children may wait upon the customers while the husband and father works elsewhere at his trade. Little is invested and little is lost in case of failure. Some of the stock is not quickly perishable and may, in case of need, be consumed by the grocer's family, or perhaps sold to fair advantage if creditors press their demands.

The grocer who is entirely dependent upon his store is thus forced into severe competition. The profit on each article sold is small and it is easy for him to be drawn into price cutting. Demand for many articles is hard to determine, and the end of the season will find the careless buyer with his shelves full of goods that must be carried into the next year. While many of the commodities handled are not readily perishable, fresh fruits and vegetables are an important and expensive exception. Items of direct expenditure bulk large. Clerks, order boys and delivery boys must be paid. Small orders must be delivered at a distance to avoid offending customers. Trading stamps and other kinds of premiums must perhaps be used to attract trade. Petty thieving and carelessness among employees are hard to detect and very difficult of correction. Credit must be extended to customers with frequent heavy losses and always a temporary employment of capital in an unprofitable manner. Trade varies so widely from hour to hour and from day to day that it is hard to keep employees working regularly.

All this emphasizes the necessity of careful management. It is estimated that the grocer must make from 15 per cent to 20 per cent gross profit in handling his goods and that "any one whose expenses do not run over 17½ per cent has cause to congratulate himself." But this margin of gross profit is hard to secure.<sup>1</sup>

Butter and eggs together are said to represent about 36 per cent of the grocer's total sales and yield about 10 per cent profit. Sugar

<sup>1</sup> A prominent grocer from the Pacific coast not long ago declared: "On the coast we handle no meats—only groceries and some liquor in sealed packages . . . . Sixty per cent of our business pays only from 10 per cent to 12 per cent while the majority . . . . need 17 per cent. In most cases there is a large loss, i.e. from 5 per cent to 8 per cent, hence a large profit must be added to other goods. We practically rob customers on teas and coffees to make up the balance." (*Grocers' Review*, July, 1910, p. 246.)

represents 7 per cent and always sells on a very narrow margin. Flour yields 16 per cent profit, but ham, bacon and lard less than 5 per cent. Eggs, butter, sugar, smoked meats, lard, bread, flour and potatoes represent about 60 per cent of the total sales and show the retailer an average gross profit of only about 9 per cent. Evidently a large profit must be derived from other lines of goods if the grocer is to survive.<sup>2</sup>

With this narrow margin of gain a frequent turn-over of invested capital is necessary and the ideal kept in mind is an entire change of stock once each month or twelve times per year. Needless to say this ideal is seldom attained. Careful, intelligent grocers with fair credit can and do make good profits if conditions are at all favorable but it is evident that many who are easily drawn into the trade may lack these qualities and find the pressure of competition very keen. For the independent dealer the problem has in recent years been complicated by the appearance of the chain stores—a number of stores under a single management from a central office. The economies gained from such concentration give them a distinct advantage and their competition is one of the most serious obstacles the independent grocer must face.

The result of the conditions just cited may be illustrated by the situation in Philadelphia. In 1911 there were in the city 5,266 retail grocery stores besides 257 delicatessen stores that sell some groceries and 2,004 butchers and retail meat dealers, of whom probably 10 per cent or 200 also sold groceries. A total of these three groups gives 5,723 but does not include a large number of stores dealing in a variety of articles and hence hard to classify. Some of these also compete with the regular grocers. If we limit the discussion, however, to the 5,723 stores named, a comparison with the population of the city which was 1,549,008 in 1910, shows one store for every 270 people or one for every 54 families. Or if only the 5,266 stores are included there is one store for every 294 people or one for every 59 families.

The grocery business is carried on in several ways. By far the larger part is conducted by the independent proprietor who purchases most of his dry groceries from the wholesaler and his vegetables and

<sup>2</sup> These estimates have been furnished to the writer by Secretary Reno Schoch of the Retail Grocers' Association of Philadelphia, who with the other officers of the Association has been very courteous and helpful in giving assistance.

fruit from the commission merchant. A second group is the chain-stores. Each system of these stores is managed from a central office and goods are purchased from a wholesale firm perhaps separately incorporated but in any case owned and operated by the same interests as the retail stores. They thus have several advantages. They sell for cash, eliminating losses from bad debts and securing a quick turnover of capital and the benefit of cash discounts on their own purchases. They buy in large quantities from the wholesaler or direct from the manufacturer, thus getting quantity prices. A very high degree of efficiency in operation is brought about by the employment of high grade managers at the central office.

A third group is made up of those independent grocers who have organized into associations to promote their common interests. In addition to the ordinary activities of trade bodies they have in recent years been carrying on a sharp contest with the jobbers and with the chain stores.

This somewhat lengthy description justifies the assertion that the ordinary method of distributing groceries is expensive both to the grocer and to the general public. The goods pass from the manufacturer through the hands of the wholesaler who adds 10 per cent to the price, and then to the retailer who adds an additional 20 per cent before they reach the consumer. The 20 per cent profit of the retailers is not sufficient for those who are hopelessly incompetent, but is more than would be necessary under a more efficient régime. The buying public is paying a price that is fixed by the needs of what the technical economist would call the "marginal grocer" whose ability is small. He exists because of the demand for his services and because of the ease of entering the business as described above. To these reasons for the expense of grocery distribution are to be added careless purchases by the housewife, the cost of an elaborate order and delivery service, the burden of trading stamps and premiums and numerous other items that need not be enumerated in detail.

The present period of rising prices has subjected the grocer and other retailers to a heavy pressure. They are compelled to pay more for their purchases but find great difficulty in raising their prices to the consumers. Profits are thus lessened and many have failed. The rest are seeking for a solution of the problem that will lessen their burdens and are finding that solution in several different forms.

To understand the situation it is necessary to observe some of

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the forces that tend to perpetuate the present system of distribution. Manufacturers, wholesalers and retailers have from time to time shown their approval of it, contending that its continuance is for the advantage of all parties concerned. A few illustrations of this attitude will make the point clear. On April 6 and 7, 1909, there was held in New York City a conference attended by representatives of the American Specialty Manufacturers' Association, the National Wholesale Grocers' Association and the National Retail Grocers' Association. At this meeting a resolution was passed that the specialty manufacturers should fix the price to the consumer but that the prices should not be placed by the manufacturers on the package. Another action taken was the following:

Resolved, That it is the sense of this conference that we are opposed to the factory-to-family plan, because it is a trade demoralizer and, in itself, is degrading.

That the conferees representing various interests here acquaint their members with the dangers of this movement and that they urge them to instruct their employees to do what they can to educate the public as to the fallacy of the theory that the factory-to-family plan means an economy to the family, and that the regular channel of distribution is from the retailer to the consumer, that the same is the most economical means of delivering goods to the consumer; and is in that manner a protection to the consumer.

In the same year the A. & W. Thum Company, manufacturers of "tanglefoot" fly paper decided to supply "only such of the wholesale trade as maintain the manufacturers' fixed selling price;" also the N. K. Fairbank Company began to paste on each package of its product a sticker specifying that the goods were sold only on condition that they were retailed at no less than specified prices, and declaring both wholesaler and retailer liable to the N. K. Fairbank Company to the amount of \$50 for each breach of this condition not as a penalty but as liquidated damages, a method generally known as the "Pacific Coast Plan." The Kellogg Toasted Corn Flake Company has a similar plan, selling only to wholesalers and endeavoring to maintain a uniform retail price of ten cents a package.

This attitude against price cutting has also received support in the action of the New Jersey legislature which at its last session passed a bill entitled "A bill to prevent unfair competition." This bill which became a law with the governor's signature definitely forbids discriminating against the goods of any manufacturer "by depre-



ciating the value of such products in the public mind, or by misrepresentation as to value or quality, or by price inducement, or by unfair discrimination between buyers, or in any other manner whatsoever, except in cases where said goods do not carry any notice prohibiting such practice and excepting in case of a receiver's sale or a sale by a concern going out of business."

The organization of the grocery business as we have described it is thus strongly defended. Its two aspects that affect the cost of goods to the consumer are (1) the distribution of goods only through both the wholesaler and the retailer, and (2) the maintenance, if possible, of a retail price determined by the manufacturer. To this may be added the practice of offering trading stamps and premiums as trade inducements, but this is not such an essential part of the general system as the other two features.

An attack on these methods of distribution was inevitable. Too many parties with diverse interests are involved to make unanimity of action possible. Even the manufacturers, though relatively few in number, are difficult to hold together. The wholesalers are the ones most in danger in a reorganization and so are more easily controlled but the retailers are numerous and of diverse interests. A modification of methods of distribution is less apt to injure them and besides, many of them are not far-sighted enough to understand what may be for their own best interests.

The system is weakening in the two features mentioned. The first move has been toward the elimination so far as possible of the wholesaler as a distributive factor and the attack upon him has come in four different ways.

The first of these is the chain stores which have already been described. At first small in size and strength they grew until they became a serious menace to the independent retailer and finally to the jobber. The manufacturer found it profitable to pass over the jobber and sell his goods direct to the retail stores. Naturally enough the wholesaler protested but the influence of the chain stores was too great. The chain stores also organized as wholesale houses and claimed the same right as other wholesalers to buy direct from the manufacturer.

The second attack has come from the associations of independent retail dealers. By combining their orders they found it possible to take advantage of quantity prices in purchasing from the wholesaler.

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This led to the next step which was purchase direct from the manufacturers. Again the wholesaler objected, but again he lost because of the strength of his opponents. In some cases, as in Philadelphia, the retailers' associations formed separate organizations which were incorporated to do a wholesale business but saved their profits for the retail grocers who owned all the stock. Ordinarily the wholesaler adds 10 per cent to the cost of the goods he handles. The chain stores and the retailers' associations can do the work for much less than one-half this and are the gainers by that amount.

It is to be noted that in neither of the cases just described does the consumer benefit except in so far as the retailer allows him to share in the savings effected. Retail prices may or may not be lowered. Also the manufacturers are clinging to the form of selling only to wholesalers since the chain stores and retailers' associations are so organized. Although this distinction is largely technical, it still exists and so long as it is observed one may urge that the system of distribution is still intact.

3 However that may be, even the outward form is beginning to disappear. Some manufacturers are offering to sell direct to the retailer—a third method of attacking the wholesaler. Thus the Proctor & Gamble Distributing Company which deals in the products of the Proctor & Gamble Company, have recently gone direct to the retail trade in Greater New York, Rockland and Westchester counties, New York, and all of New Jersey as far south as and including Trenton. They still furnish their products to jobbers in that territory but on the same basis as to the retail grocers.

4 A fourth attack is on quantity prices. Thus far the small dealer has been handicapped in his struggles by the fact that the wholesalers, the chain stores, the retailers' associations and the large independent dealers have been able to purchase at a lower price because buying in large quantities. A determined effort is being made now to check this practice. Among the manufacturers who have already abandoned the plan is the American Tobacco Company, which, however, sells only to the wholesalers. The result of the contest will probably not be the entire elimination of the wholesaler, but merely a lessening of his importance. He will doubtless retain his position but will handle a smaller proportion of the total supply of groceries than in the past.

A movement has also been directed against the fixing of retail

prices by the manufacturer. Much can be said in favor of the practice as a protection to the wholesaler, the retailer and the consumer as well as to the manufacturer. The manufacturer contends that his goods will be energetically handled by the wholesaler and retailer only in case there is a fair margin of profit to be realized. If prices are cut by one dealer the others must follow and all lose. On the other hand if a fixed price could be maintained there would be a fair profit for all. The consumer also would gain. Prices would be certain instead of irregular and he would not be compelled to pay more for other goods to offset the grocer's losses on goods whose prices had been cut.

Methods of maintaining prices have varied but the usual ones have been those described above as practiced by the N. K. Fairbank Company and others. The difficulty has been in controlling both wholesalers and retailers. The only way to coerce them has been to bring action for violation of contract or for liquidated damages. This has brought the whole matter before the courts who have been called upon to determine the legality of such agreements. The issue hinges upon the interpretation of the Sherman Anti-Trust Law and the statutes of the various states against agreements in restraint of trade.

Two classes of cases have arisen. The first involved the right of the manufacturer to dictate the retail selling price of articles not patented and was settled by the United States Supreme Court in *Dr. Miles Medical Co. v. John D. Park & Sons* (220 U.S. 373). The court held that while a manufacturer is not bound to make or sell goods this fact does not prove that he may impose every sort of restriction upon purchasers. Nor may he by rule or notice, in absence of contract or statutory right, fix prices for future sales, even though the restriction be known to purchasers. Any right that he has to project control beyond his own sales must depend, not upon an inherent power incident to production and original ownership, but upon agreement. But such agreements are injurious to the public interest and void. The plan, in effect, creates a combination for prohibited purposes. The complainant having sold its product at prices satisfactory to itself, the public is entitled to whatever advantages may be derived from competition in the subsequent traffic.

This case seems to have settled permanently the question for unpatented articles unless, as Justice Holmes pointed out in a dissenting opinion, the manufacturer should make the retail dealers his legal

distributing agents and retain title to the goods until sold. This might put the plan beyond successful attack, but would involve such an extensive reorganization of retail business methods as to make it an impracticable solution.

The second class of cases involves the right of the manufacturer of a patented article to determine its retail price. In *Sidney Henry et al. v. A. B. Dick Co.* (224 U. S. 1.) the court gave such a broad interpretation to the rights of a patentee that it seemed probable that the power of price control might be upheld in later decisions. But in the later case of *Bauer & Cie and the Bauer Chemical Company v. James O'Donnell* (often called the Sanatogen case) it was held that "a patentee who has parted with a patented machine by passing title to a purchaser has placed the article beyond the limits of the monopoly secured by the patent act."

Both of these decisions were rendered in cases involving medicines but in their application will affect the right of the manufacturer to fix the prices of groceries as well. At the time of this writing there is still before the federal courts the case of the Kellogg Toasted Corn Flake Company which is being prosecuted for violation of the Sherman Act by fixing the retail selling price of its product. The most important contention of the defense has been the fact that their product is packed in a carton which has a patented device attached. If the manufacturer were able to retain control over his patented product to the extent of determining its retail selling price the strength of the Kellogg defense would be apparent. Under the ruling in the Dick case cited above such a decision by the court seemed probable but in the Sanatogen case the court's attitude is clearer and at present it seems probable that the Kellogg suit will be decided in favor of the government.

There is thus going on a reorganization in the methods of distributing dry groceries. As in other fields, prophecy is unsafe, but it seems probable that uneconomical practices will be checked. Severe competition, especially in the present period of rising prices, will force many retailers out of the field. If distribution of groceries through both wholesaler and retailer is on the whole less wasteful than sale by the manufacturer direct to the consumer, the wholesaler will be retained. If not, he will be as far as possible eliminated. If fixing of prices by the manufacturer is more economical than price cutting we shall doubtless come back to that practice, but at present the tendency is in the other direction.

## PUBLICITY AS A PREVENTIVE OF ABUSES BY THE RETAILER

BY MARTHA J. FULLER,

Chairman, Committee on Advertising, *Housewives League Magazine*, New York

All successful business men consider publicity an indispensable feature of their enterprises. In making appropriations for yearly expenditures, a large part of the amount set aside is designed for this purpose. A merchant prince who spends millions of dollars for publicity of one kind or another once said that a business house might as well take down its sign as to discontinue advertising. Such a house might have the best goods obtainable, the most efficient help, the most capable management, but if it did not keep these facts before the public its patronage would be small and it would be doomed to failure.

While the business man has thus been blazing abroad the things he wanted the consumer to know, or believe, the latter has been for the most part dumb. He has had no system of disseminating the facts which as a class he needed to know to safeguard his rights in dealing with the retailer. The knowledge of the individual consumer was not passed on to the others. Consumers are now learning to use the weapon of the business man, publicity, to protect themselves and are finding that it is much more efficient than the so-called strong arm of the law and an indispensable ally of the latter.

In direct proportion to the extent that home industries have been taken out of the home and commercialized has the business of defrauding the unsuspecting housewife flourished. Much of the best thought and energy of our time have been devoted to devising ways and means to fool her and to give just as little value as could be given without exciting her suspicion. This manifestly does not savor of the brotherhood of man and is a sad commentary upon the probity of the dispensers of the necessities of life. Under the circumstances, it was not strange that they should count on being able to fool all the people all the time, and so long as consumers had not learned to protect themselves by advertising these practices,

dishonest dealers became bolder and bolder in their business methods.

From the time of the production of any commodity destined for household use to the moment it reaches the ultimate consumer there are numerous intermediaries all of whom must make a profit, by fair means or foul. We shall here deal only with the retailer, at whose door justly can be laid much responsibility for the high cost of living. Here do we find, among other things, the use of short weights and measures, the weighing of hands, the charging for wooden butter and lard trays and wrapping paper at the prevailing market price of the contents; substitution, misrepresentation, unsanitary handling of food; the selling of cold storage products at the price of fresh, the keeping up of retail prices regardless of reduced wholesale prices, and the giving of prize money to clerks as a reward for selling goods above their actual value.

Year in and year out has the dispenser of the family funds made her daily purchases without knowing of these things, except as isolated cases of fraud were forced upon her attention, whereupon, if she did anything, she would seek some other dealer and submit to the old impositions.

Small things these might have been sometimes, but assumed calculable proportions during the year. In the case of butter, for instance, the short weight of two ounces a day, with butter at thirty cents a pound, means a loss of \$13.50 a year. At times, too, the amount represented is not so little. A New England housewife, after buying a set of scales, found that her butcher had been charging for eighteen pounds of roast beef, when he had delivered only thirteen. The same butcher had been delivering a similar roast to her and charging her for it at the same rate for years. With meat at its present price this assuredly was no trifle. She also found that she had been charged for three hundred pounds of ice a week when her icebox would not hold anything like that amount. Another housewife who had previously left the marketing to her steward found, upon investigation, that she had been spending two or three hundred dollars a month more than was necessary.

Now that the searchlight of publicity has been thrown upon these practices, through the national organization of housewives and other means, the tables have been turned and the trend is toward a square deal for the formerly helpless consumer. Armed with

knowledge she meets the retailer upon an equal footing, as one business man meets another. Familiar with her prerogatives, she insists upon receiving quid pro quo. She knows what she should pay for ice, eggs at different seasons, apples and all farm produce. She has her own scales and checks the dealers' weights. She insists upon clean shops and sanitary handling of food. She demands pure fabrics. She has, in short, cut the ground of her own ignorance from under the dishonest retailers' feet, and the resultant reduction in the family expenses is both surprising and gratifying.

Thus she has not only promoted her own interests and those of her family but those of the trade as well. There are many honest dealers and dealers who wish to be honest; but so long as the public did not know or care whether or not it was cheated, unfair competition tended to force the naturally honest to adopt the practices of the less scrupulous. Some, indeed, have maintained high standards in the face of extremely discouraging circumstances, and when housewives are sufficiently enlightened to place a premium upon honesty their kind will multiply, while those who cannot adapt themselves to the new conditions must be forced out of business. The well-informed consumer and the dishonest retailer are not co-existent.

## EFFECT OF THE NEW JERSEY DEPARTMENT OF WEIGHTS AND MEASURES ON THE COST OF LIVING

BY WILLIAM L. WALDRON,

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The high cost of living is one of the most vital problems of the day. It is a subject of more than passing notice. One cannot glance through a newspaper or a magazine, it seems, without encountering some article touching on it. The theories and arguments presented, while carefully compiled, prepared and written, are as different as the writers themselves. No two writers reach the same conclusion. All are endeavoring to point out just how, in their estimation, the matter can be brought to a satisfactory adjustment. In most articles the arguments are good and I have no doubt but that they help some readers solve the problem. It is not my intention in this article to differ from any of the theories advanced. It is rather my privilege to write upon a phase seldom referred to, but of great import nevertheless. I refer now to the very important factor of getting full weight and full measure for money expended. The high cost of living problem has been viewed from every angle but that mentioned. In all likelihood this was an oversight, as any intelligent person will readily grant that getting full value, instead of half or three-quarters, will have an effect of some kind on the finances of the home.

Prices of foodstuffs have gone up by leaps and bounds. It was thought three or four years ago that the limit had been reached, but today we know how utterly false that opinion was. It is quite unnecessary to mention here what articles have increased in cost. The list would be too lengthy. All have soared and are still soaring. One reason for this increase, to my mind, lies in the fact that package goods have supplanted goods sold in bulk. The new method is more expensive to the merchant and consumer alike, but the latter, of course, pays more in the end. Another fact lost sight of nowadays is that many consumers order by telephone and never see the goods delivered. Still others purchase haphazardly, asking for "about two pounds" of steak, when it would be just as easy and



far more satisfactory to say "I want two pounds of steak." The dealer then would not be so prone to charge for overweight. This throws an entirely different light on the subject.

My advice to the purchasing public is to watch carefully the weight or measure of goods bought. The results will surprise them. A proprietor of one of Atlantic City's leading hotels complained to me that he was being systematically victimized and robbed by his help and by merchants with whom he dealt. He was at a loss as to what course to pursue to bring about a change for the better. I suggested that he employ one whom he could trust to weigh all goods coming into the hotel and to check up all supplies. He acted on the suggestion and in one year effected a saving of twenty-five thousand dollars. A letter he wrote a short time ago stated that the plan was working admirably. If the housewife were to put her household on the same basis many dollars would be saved, which do not purchase anything now. It is unreasonable to suppose the savings would be as great as the hotel proprietor's, but they would reach a snug figure. After all is said and done, much depends on the attitude and vigilance of the consumer. If every effort is made to insure getting full weight and full measure, we are proceeding in the right direction and will get what we are after; but if these important details are slighted, losses and drains, where they can least be afforded, may be looked for.

### *Hucksters Should Be Watched*

Many hucksters are wary and need careful watching. Their season is a short one, the goods they sell are perishable and they have to work quickly to realize on the money they have invested. Not very long ago two were apprehended in one of the leading cities of the state for selling a barrel of potatoes, which was just a half-bushel short. Their apprehension was brought about by the vigilance of the housewife. She watched the barrel being emptied and saw, when all the potatoes were out, that it contained a basket turned upside down. This trick is a favorite with hucksters and produce men, but they escape detection by operating quickly out of range of the buyer. In the instance cited, both peddlers made all kinds of promises if the woman would release them, but their pleas fell on deaf ears. They were arrested, arraigned in court and

fined one hundred dollars each, as well as being sentenced to jail for thirty days. Who can deny that such characters have had an effect on the high cost of living? They had been operating in the city where they were caught for one week, so that they had easily cleared the amount of fines imposed. But the jail sentence hurt. It will go a long way towards making them avoid this state in future. They learned much in court of the activities of the weights and measures officials of this state.

Hucksters claim to sell cheaper, but the apparent reduction is made up by giving short weight and short measure. Their field in this state is not nearly so fruitful now as it used to be, as city and county weight and measure superintendents intercept them wherever found and compel them to show their measures. If the measures have been sealed they are allowed to continue their operations; but if the measures have not been passed upon they are tested without further delay. More than one huckster has had occasion to regret the visit of the weights and measures man, as any equipment in use found short of standard is at once confiscated. This constant picking up of equipment found incorrect has a tendency to insure correct weight and measure to patrons, as in every instance confiscated apparatus must be replaced with standard equipment that has been sealed.

Even where equipment has been tested and sealed, no guarantee can be given that the purchaser is getting all that is coming. This fact is established by the following case: An Italian merchant had been using the so-called "bottomless" measures, which have been placed under the ban in this state because they can be manipulated. As it was his first offense and as he pleaded ignorance of the law, he was not prosecuted, suffering only the loss of the measure. He was advised to purchase cylindrical measures, as they are more satisfactory in every way. He acted on the suggestion and the measures were sealed. Imagine the surprise of the official when he called on the merchant a few weeks later and found him using the sealed measures in which had been cunningly placed two false bottoms, one in each measure. They had been nailed and enabled the operator to work very freely. Of course he was arrested and fined. He will not be so ready in the future to tamper with sealed equipment. This incident emphasizes the need of being constantly vigilant, as other merchants besides Italians had availed themselves of the same trickery.

*What Public Opinion Did to One Dishonest Merchant*

That public opinion is being gradually aroused is borne out by the following instance: One of our county superintendents was inspecting in one of the smaller towns of his county. He called on the proprietor of one of the few stores in the town and tested the weights and measures used. All were found satisfactory save one dry measure, which was found to be short. This fact was pointed out to the merchant, who became very sarcastic and showed in other ways that he bitterly resented anyone's "prying in his business," as he termed it. He stated that he had always used this measure and never had anyone complain of it. The superintendent retorted that he could not continue using it, as it contained a false bottom. The merchant felt that he was being discriminated against unjustly and appealed to several customers who had entered the store during the altercation. He showed them the measure and his action produced an effect entirely different from that he had calculated on. Those who had been dealing with him stopped and told others. The result was that his business fell off to such an extent that he was forced to sell out and leave town. The various women's organizations take a keen interest in weights and measures work, and have rendered valuable aid in the past.

*Keeping Coal Dealers in Line*

The aim of the department's officials at all times is to secure full weight and measure. This fact is especially kept in mind during the fall and winter months when the selling of coal is at its height. One of the requirements of our law is for coal dealers to deliver tickets stating how much coal is being sold with each delivery. This feature was an innovation and was not very cordially received, as it requires that the net weight sold must be marked legibly on the ticket. This is a great help to the purchaser as he knows just how much coal he is getting for his money. Furthermore, it proves of assistance to the superintendents when they intercept coal deliveries. This is the plan followed to determine whether or not the merchants are complying with the law, both as regards delivery ticket and giving the weight the ticket calls for. In connection with this statement it might not be amiss to mention one delivery intercepted

during January of this year. A widow, with five children, only one of whom was old enough to work, had ordered a ton of coal from a dealer and had paid \$6.25 before the coal was delivered. An assistant state superintendent saw the coal being delivered and asked the driver to let him see the delivery ticket. It called for one ton. The load was driven to one of our testing stations and weighed. The coal was then delivered after which the wagon was weighed by itself. The inspector found that the coal was short six hundred pounds on the ton. The driver at once telephoned the dealer and told him he was about to be arrested. The dealer decided to destroy the scale on which the coal had been weighed and caused it to be chopped into small pieces, hoping in this way to escape the consequences of his act. This, however, did not prevent a warrant being sworn out for his arrest. He was arraigned in court and, being wealthy, fought the case bitterly. The evidence was so overwhelming that he was convicted very speedily and received an unusually severe sentence—six months in jail and a fine of one thousand dollars. In addition, he was compelled to give the balance of weight of coal to the defrauded purchaser. The convicted man appealed the case to a higher court, but there is every reason to suppose that the verdict of the lower court will be sustained. The coal dealer will then have no other alternative but to begin serving his sentence. The case attracted wide attention in all parts of the state on account of its somewhat unusual features. It cannot be denied that the effect will be far-reaching, and that other coal dealers will hesitate about sending out coal short in weight. It seems to me as if the department is helping in the solving of the problem of reducing the cost of living by engaging in such work as has been outlined.

#### *Watching Sale of Butter and Milk*

These are only a few of the cases we have encountered. Many other instances could be cited of fraud and deception practiced on all sides, but adding to the list would serve no useful purpose. This article, though, would not be complete were I to omit mentioning a few other accomplishments, which have also played an important part in relieving the burden of the housewife. Chief among the reforms inaugurated must be mentioned that brought about in the

sale of butter. This commodity was sold in prints which were supposed to contain a half-pound, pound and two pounds, but there was no weight marked. The merchant always sold a "print" of butter, not a half-pound or a pound. This led to an investigation. The so-called "prints" were purchased in all the larger cities. They were subjected to a thorough test and it may surprise the reader to learn that 85 per cent of the number tested were found short in weight from one-quarter of an ounce to two ounces. This shortage was entirely too great with butter selling at for from 45 to 60 cents a "print." The net result of our investigation was the promulgation of a ruling which compelled butter packers to mark clearly on the outside of the wrapper or carton the net weight in pounds or ounces of the butter within. This enabled purchasers to determine just what they were paying for and getting. It is an excellent ruling and has worked out very satisfactorily for the consumer. The packers were at first disposed to evade the law, claiming that it was too drastic and complying with it would be a hardship upon them. They further contended that butter would shrink or evaporate, which is true. But it would not shrink as much as they claimed it would. Some packers were also desirous of printing the words "when packed" on the carton or wrapper, but we would not accede to this request as it would have enabled the packers to evade the ruling. As above stated, the ruling has worked out very satisfactorily and has saved consumers of the commodity thousands of dollars by securing for them full weight.

Good work was also done in the sale of milk. The bottles formerly used in New Jersey were of all sizes. Thousands were found short of the capacity claimed for them. To remedy this a law was enacted which provided that, beginning November 1, 1912, bottles be only of standard capacities and must also have the capacities blown in the bottle. The law further provides that bottle manufacturers must use a designating number to be furnished by this department. This number is known to all superintendents and enables them to recognize readily just what firm made the bottles. If they are found short of the capacity prosecution is thus made easier. Those who violate the law would incur a fine of five hundred dollars. Since the law has been effective there have been no prosecutions. This would indicate that bottles now contain full measure, as they are tested by the officials at frequent intervals.

*Other Crusades and Reforms*

Probably the most far-reaching crusade was that conducted against the use of liquid measures for dry. Many merchants used liquid measures exclusively for the sale of winter beans, peas, cranberries, etc., instead of dry measures. This meant that the consumers were being given short measure, as the liquid quart is almost ten cubic inches shorter than the dry quart. The difference may not seem so much in itself, but it should be borne in mind that the merchant uses these measures many times in the day, six days in the week and fifty-two weeks in the year. The shortage in this time would reach a surprisingly high figure in dollars and cents if it could be computed. Over seven thousand liquid measures were confiscated last year. Those found using them now are brought in court and fined ten dollars. No excuses are accepted. The inflicting of a penalty will do more to bring about compliance with the law than any other method known. Today, the grocer or butcher using a liquid measure for a dry cannot be located in New Jersey. This may seem like exaggeration, but it is not. Standard measures are in use everywhere. The substitution means something in favor of the housewife, though she may not be aware of the fact.

Much could be written about the various pieces of equipment confiscated in New Jersey. They have attracted wide attention wherever exhibited. Requests have reached us from many of the Western States, asking for the loan of equipment for purposes of display. The department conducted an exhibit of confiscated standards last year at the inter-state fair, held annually in Trenton. The display contained over ten thousand different pieces and was a source of wonder to one hundred thousand persons who stopped and witnessed demonstrations of how the public was defrauded. The department is always striving to interest the housewife. She does the buying for the home and we have been trying to show her how she can buy more economically. Literature containing useful hints is distributed gratis. There were over twenty thousand requests last year for copies of our pamphlet, "What Every Housewife Should Know"—a very forcible illustration of the fact that people are waking up. Furthermore, many homes have been provided with an accurate family scale on which are weighed all purchases. This brings home to the various merchants the fact that they must be

careful when weighing. The investment in purchasing a scale is a good one and it pays for itself in a short time. But to get back to some of the equipment confiscated. Scales were found with pieces of lead, fat, putty, soap, etc., weighing from two to five ounces, concealed underneath the pan of scale. This foreign matter on scales always caused a corresponding reduction in weight of articles purchased. Five hundred scales, "doctored" in this manner, were found in use in New Jersey. These facts would be hard to believe if we did not have the evidence.

Thousands of weights were found in use short from one-half an ounce to six ounces. They were confiscated and replaced by correct ones. Does not this help the consumer? Most assuredly it does. Then, too, baskets used for the sale of fruits and vegetables were of every known size and shape, but they were always sold by the "basket." No capacity was mentioned, but the consumer was always under the impression he was paying for and getting half-bushel baskets, when in reality, he was buying from baskets holding but twelve to fourteen quarts—a difference of from two to four quarts in favor of the dealer. Even in quart berry boxes fraud was practiced, as the boxes represented as quarts rarely held the capacity claimed for them. All this confusion will be done away with after November 1. A law becomes effective at that time which will standardize baskets and boxes used for sale of berries, fruits and vegetables. This law, when it becomes operative, will, for the first time in the history of the state, insure consumers getting full value for their money when buying the products mentioned.

In conclusion I think I am justified in saying that the formation of the department has had a most wholesome effect on the cost of living. It has secured full weight and full measure for consumers throughout the state. It has made money go further than before. Enough has been shown, I think, to convince the most skeptical that the work of the department has had a most beneficial effect. We are not quite two years old yet and we have attained excellent results. We shall labor just as valiantly in the future as in the past with the hope that our efforts will ease the burden of all.

## SAVINGS THROUGH PROPER SUPERVISION OF WEIGHTS, MEASURES AND STANDARDS

BY FRITZ REICHMANN, Ph.D.,

Superintendent of Weights and Measures of the State of New York.

Smith writes Jones three letters: the first expressing views on a technical subject; the second, offering certain commodities for sale; the third, a personal note remarking on the height and the weight of his first-born. These three writings would be absolutely unintelligible to Jones unless there were a basis of comparison; unless the quality and the quantity referred to definite standards; unless the money were standardized in quality and quantity and unless the weight and the height were in terms of recognized standards. With readily understood basic standards, Jones knows immediately what Smith means and understands him perfectly. Imagine the confusion and the waste of time, effort and money for Jones even to attempt to understand the three letters, let alone attempt an equitable transaction without standardization.

Every civilized, and therefore complex, scheme of government must, to a certain extent, regulate the traffic in commodities for the protection of itself as a purchaser of supplies and for the protection of the producer, the distributor and more particularly, the consumer. Such regulation or supervision necessarily means not only the establishment of standards but also seeing that the same are compiled with in reasonable limits. The most primitive scheme establishes standards of exchange of money, then makes the assumption that every individual has knowledge of detail and can protect himself. This principle of "Let the purchaser beware," does afford protection in a simple, small and primitive group of society. With the increasing complexity and expansion of society, specialists are developed and certain standards based on honest trade, custom and technical conditions must be established. The launcher of any commodity must be made responsible and the principle of "Let the seller beware" is still necessary. The launcher becomes the responsible specialist and the responsibility must be insisted on and enforced; either by duly appointed and trained agents of the national, state,



county or city government, or by agents of an organized trade society who enforce the regulation by rigid coöperation of those launching the particular commodity. Such enforcement cannot be equitably done except in a broad, economical spirit. It is very important to enforce the idea that it is not necessary to have any governmental regulation of standards that have been universally adopted and adhered to by custom, and any attempt to regulate such is merely providing for unnecessary positions at the expense of the public, and is no protection of the public.

Standards may be divided broadly into two classes, fundamental standards and commercial standards. The establishment of fundamental standards of quality and quantity is a physical or chemical research operation. The establishment of commercial standards is an economic operation with a utilitarian object, and may be based partly on the former. The attempt of the former to do the latter has always and will always be disastrous as has been so often demonstrated. Having fundamental standards of governmental uniformity throughout a nation necessarily saves time and effort, and, if there were universal fundamental standards among nations, there would be a still greater saving of time, effort and money. Such is the basis of the argument of those advocating the universal adoption of the metric system. It makes little difference what system it is, so long as a universal system of standards is adopted. Trade standards are standards in commerce and their establishment and their uniformity produce most immediate and direct saving to producer, distributor and consumer.

Specific illustrations of the saving of time, effort and money through standardization are numerous. For example in the matter of standardization of commercial weighing and measuring devices, the first official specifications for such devices issued in the United States were established by the Department of Weights and Measures of the State of New York, and they have since been copied with slight variations to suit local conditions by other states, by cities and by a federal government bureau. Some variations have been made to suit local conditions; others, like the federal government bureau, made some variations for the purpose of argument and are bad, as they are not based upon practical experience. The New York state specifications were based upon economic principles and upon experience, were consistent with the best trade and manufacturing practice,

were not arbitrary and were not founded on preconceived notions. The result has been that the consumers have been protected by having the weighing and measuring devices used in trade such as do not facilitate the perpetration of fraud.

This standardization of types, together with the requirement of the representation of how much is delivered, saves the purchaser in time and effort because he knows *how much* immediately, and saves him money because he has a basis of comparison. The dealer saves in effort and time because he purchases his weighing and measuring instruments on condition that they comply with those official specifications, and he saves in money because he knows that he will not have to waste time and he will not have to pay for unnecessary adjuncts. In ordering his supplies he knows that they will be delivered in known standard amounts. The manufacturer is on the same basis, and he has before him the standard specifications with which he must comply before he can make his goods. The whole effect of this establishment of uniformity in commercial weighing and measuring devices has been a coöperation and a clear understanding, and has discredited the unscrupulous. As soon as the latter were discouraged, the possibilities for fraud were reduced, and consequently, there was a saving in money to the honest dealer and to the consumer.

The associated lamp manufacturers were the first to recognize standards in incandescent electric lamps. These standards naturally drew comparisons. These comparisons ultimately gave the consumer the modern incandescent electric lamp which has saved the manufacturers and the consumers great amounts of money, giving more light per dollar than could possibly have been obtained ten years ago. The manufacturers of iron pipes and plumbers' supplies have recognized that the multiplicity of pipe diameters, sizes and parts has caused a great deal of worry and effort. Consequently, by mutual agreement, certain definite standards of pipes have recently been adopted which have eliminated a great economic waste heretofore prevalent. There has been and will continue to be, a consequent saving in money to the manufacturer, to the dealer and to the owner of a home. The standardization of screw threads and standard screws has been discussed for at least a hundred years. It was a general practice fifteen or twenty years ago to have a multiplicity of screw threads. Many manufacturers of machinery or instruments prided themselves on the

odd sizes of screw threads they used. Today, by mutual agreement between machine manufacturers, a great many sizes of screw threads are standardized so that a person need not any longer waste time, effort or money in selecting a machine screw for a certain purpose. He knows that when he orders certain sizes of screws they will exactly meet the requirements, and that there is no need of re-cutting or re-tapping. The standardization of the parts of railroad cars has made a very material reduction in waste and a material saving in time, effort and money. Twenty years ago, a car that was in any way damaged or had to be repaired required almost re-building; today wherever in the United States a car may be damaged or a part lost, the damaged or lost part can be immediately replaced, because the parts have been standardized.

As a final illustration: The state of New York passed a law, known as the Brooks law, requiring certain containers for fruit to be of standard size, and requiring that, in the selling of any commodity whatever, a representation be made of how much is sold. As a result of this legislation in New York state, Congress enacted a statute amending the pure food and drugs act, requiring that on foods in packages, a representation must be made of how much is contained in the package. The federal law is, of course, very much narrower than the New York state law. The immediate effect of the passage of these statutes will be that, by mutual agreement among manufacturers, certain containers will be standardized, in so far as this is practicable in the distribution of their goods. Such standardization following the requirement that a representation of "how much" be made, must start with the launcher of the container, and cannot, in sincerity and equity, be enforced through penalizing the person who has goods packed in unstandardized containers. The manufacturer of the container must, himself, be penalized. The standardization of packages and shipping containers is bound to be realized with a consequent great economic saving.

In all questions of standardization of a commercial nature, it must be borne in mind that the three parties which must be considered are the producer, the distributor, and the consumer; and the three elements that must be considered are whether such standardization will save time, effort and money.

In the matter of savings to the consumer, what has the establishment of the standards of weights and measures and an inspection

service accomplished? As the only available data on the results obtained by inspecting weights and measures are that of the state department of weights and measures of New York state and as this was the first state to have broad statutes on the subject, I will draw therefrom.

In 1907 and 1909 with no constructive or systematic inspection of weighing and measuring devices used in trade anywhere in the state, the averages for the state show that only 53 per cent of the scales, 48 per cent of weights, and 48 per cent of measures were correct; in other words half of the commercial weighing instruments in daily use were incorrect. The vast majority of these used showed an error, detrimental to the consumer, ranging from 3 to 10 per cent. At the same time, commodities put up from bulk and ready to be delivered were tested. Those tested showed that, approximately 40 per cent were correct, and 60 per cent incorrect.

Investigations in 1911, 1912 and 1913 made after the establishment of the weights and measures inspectional service in the state under state supervision, showed that 80 per cent of the scales, 84 per cent of weights, and 83 per cent of measures were correct. (These figures should be slightly higher, if the full results of 1913 are taken into account.) The prevailing inaccuracies in the instruments that were incorrect were not over 3 per cent. Goods ready to be delivered and weighed and measured from bulk showed that 75 per cent were correct.

The correctness of the commodities delivered is therefore roughly proportional to the correctness of the weighing and measuring devices used.

It must be noted that practically in no place was there any difference in price between correct weight or measure and short or incorrect weight or measure; the consumer pays as much for 14 ounces as he would for 16 ounces.

To summarize:

1st Instance No or very faulty inspection and poor standards			2d Instance Established inspection under state supervision and state specifications from commercial weighing and measuring de- vices	
	Per cent incorrect	Average percentage loss	Per cent incorrect	Average percentage loss
Scales.....	47	3 to 10	20	less than 3
Weights.....	52	3 to 10	16	less than 3
Measures.....	52	3 to 10	17	less than 3
Commodities.....	60	7	25	less than 3

Money loss is directly proportional to these shortages. This enormous, almost phenomenal, reduction is due solely and purely to the establishment of state supervision of weights and measures used in trade and the establishment of standard specifications for such weighing and measuring devices.

The above, then, irrespective of prices paid, represents the loss in dollars and cents eliminated, or in other words, the money saved to the consumer, due to the instruments alone. The former loss of 40 cents on every ten dollars has been reduced to the loss of not over  $7\frac{1}{2}$  cents out of every ten dollars.

The instrumental side and the sale of bulk goods are only one phase of weights and measures or standards. Many and increasing numbers of commodities are sold in packages. Package goods are increasing in number for simple economical reasons, but at the same time, such package goods have been used in many cases deceptively to create an idea of exclusiveness and superiority. Thus the advertising and other selling expenses have been increased beyond a reasonable limit, where advertising should be used for the purpose of increasing total sales, in order to reduce the unit manufacturing cost. This has worked to the detriment of the consumer and to the detriment of the dealer in many cases.

The state of New York, as cited above, has passed a law that all goods will have to be marked to indicate how much is delivered and all package goods will have to be marked to indicate how much is contained therein. The state of New York is the only state which has a statute to cover all kinds of commodities. This gives consumers a ready means of comparing goods which they could not have without such marking.

Take a few illustrations. (1) Many cereals formerly put in two-pound packages and retailed at 10 cents have now shrunk to twenty ounces at 10 cents. The same kind of cereals of other brands now sell thirty-two ounces for 9 cents. (2) Fourteen ounce prints of butter in one store were sold for 36 cents, sixteen ounce prints in another store were sold for 38 cents—the latter, of course, is very much cheaper per pound, but without a representation being required, the consumer does not know. The honest dealer, as well as the consumer, is defrauded. (3) A package of Lion Brand Wool (16 ounces), costs \$1.50; a package of Pansy Brand Wool, (14 ounces) costs \$1.50. Formerly, the latter was not marked, the outside of the package was the same. It was deceptive and a case of moral fraud and an injustice to the honest manufacturer. By knowing the contents, the consumer could readily save two ounces out of sixteen, or  $12\frac{1}{2}$  per cent—considerably more than savings at bank interest, far better than farm mortgages. (4) A roll of ribbon (10 yards) costs 35 cents; a roll of unmarked ribbon ( $9\frac{1}{2}$  yards) costs 35 cents. (5) Twine has been sold by some concerns by net weights, namely, selling twine. Others have sold it by gross weight, namely selling twine and wrapping at the price of twine. The excuse is made that the wrapping is more expensive than twine, but twine is the commodity desired and the wrapping does not serve the purchaser even if it were made of gold-leaf. (6) Seeds have been sold by liquid measure, this latter giving in dealing a direct loss of 15 per cent. (7) Picture cord when marked 25 yards or 75 feet generally sells for 10 cents. Picture cord selling for ten cents but unmarked will be often found to measure only 55 feet; a loss of 20 feet or  $26\frac{2}{3}$  per cent.

These illustrations can be increased almost indefinitely, and it can always be borne in mind that by requiring a definite representation, there is no increase in apparent price but an actual decrease in actual price.

The New York state law requiring the marking and the representation of quantity, takes away the premium on dishonesty, and enables the consumer to buy intelligently. Disregarding hardware, dry goods, drugs, twine, paper, notions, seeds, coal etc., one can get a rough estimate of the annual savings to the consumer in the state in the past five years due to definite standards of apparatus and quantity on a few of the necessities of life.

This is stated in tabular form as follows:

Commodity	How formerly sold	How now sold due to changed conditions	Gain in quantity per unit to the consumer, due to changed conditions	Total gain in money due to standardized weights and measures in quantity in the state per annum
Flour.....	Gross weight	Net weight	Up to 16 oz. in 48 lbs.	\$ 500,000
Bread.....	The loaf	Net weight	Up to 3 oz. in 1 lb.	3,000,000
Cereals.....	The package	Net weight	Up to 6 oz. in 1 lb.	500,000
Small Fruit...	The box or basket	Net standard dry measure	Up to 25%	500,000
Meat.....	Gross weight	Net weight	Up to 3% on 1 lb.	5,000,000
Potatoes.....	Short measure	Net weight	Up to 20%	2,000,000
Milk.....	The bottle	Standard measure	Up to 5%	2,000,000
Sugar.....	Gross, partly	Net weight	Up to 5 %	1,500,000

This estimate is extremely conservative and the amount of \$15,000,000 saved annually to the people of the state by having standardized weights and measures and quantities through an inspectional weights service under state supervision, is the minimum amount. When to these are added the hundreds of items that are used in the field, in the factory, in the store, in the office, in the hotel, and in the home, the actual amount saved to the consumer is many times increased. To this, of course, should be added the savings in time and effort, which means in reality an additional saving in money.

In the above I have gone into considerable detail as to the savings to the consumer. Similar figures borne out by facts brought forth in investigations can be shown to be savings for the producer, be he manufacturer or tiller of the soil, and can be shown for the distributor, be he wholesale or retail dealer.

## MUNICIPAL MARKETS

BY CLYDE LYNDON KING, PH.D.,

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The twentieth century city has two very definite food problems. One is to keep its gates open to the food supply of the nation and the world; the other is to open wide its gates to the output of the agricultural country round about. One unfortunate result of making available to each city the food supply of all sections of the nation, and indeed of the world, has been to cause the urban dweller to give all too little heed to the output and prosperity of the surrounding farming community. The twentieth century need is to encourage near-by farmers to sell at home.

### *The Need for Selling at Home*

No section of the United States is now wholly rural. In all parts of the nation, the city is growing apace. In no state in the Union from 1900 to 1910 did the urban population increase less than 10 per cent, while in 16 states it increased from 10 to 30 per cent, in 13 states from 30 to 50 per cent, and in 19 states over 50 per cent. In 6 states the rural population actually declined; in 6 states the urban population more than doubled. This growth of cities in all parts of our country means ever-widening possibilities for local marketing and for selling at home. As the season's output runs from south to north, each city, through national agencies, can now avail itself of every possible variety of foodstuffs. But by proper civic action and coöperative encouragement each city can also buy an ever-increasing proportion of its own season's output at home. This buying and selling at home will mean a larger output from the surrounding farms; will mean the adaptation of that output to local markets; will mean stimulated land values and a more prosperous local community round about; will mean a richer purchasing clientele for the city's factories and stores; will mean goodly savings in food distribution, and hence in food costs.

The farmer's income increases with his marketing facilities. The Cornell Agricultural Survey of March, 1911, found that the average annual income from labor by 615 farmers, operating their



own farms, each with an average capital of \$5,527, was but \$423; and that the average annual labor income of 154 tenants was but \$379. Other sources also indicate that the average farmer does not make over \$700 per year, or less than two dollars per day. He does not make more now than does the average city wage-earner. This largely accounts for the exodus from the farm. It also points to the need, lest we become a nation of peasant farmers, for an increase in the farmer's actual income.

Increased facilities for selling at home will stimulate output. If we are to remain an exporting nation, our farmers must increase their yields and all land available to agriculture must be put to use. Due to the increase in urban population, without a corresponding stimulus to food producing, the amount of our exports is rapidly falling off. In 1904 the cattle exported were valued at \$41,000,000; in 1911, their value was \$14,000,000. From 1901 to 1911 the pounds of fresh beef exported fell from 354,000,000 to 9,000,000. Though a young nation, we are already on the verge of becoming dependent on the outside world for our food supply.

Selling at home will not only stimulate output but it will also have a psychological tendency to make the farmer adapt his output to local conditions. To derive the greatest possible profit from his products, the farmer must pay attention to the condition of his goods, to their appearance, and to economy and promptness in marketing them. While the output of any given farm will have to be adapted to soil and climate, to the abundance or scarcity of labor, to the size of the farm and to the tariff, yet, other things being equal, of greatest influence is the opportunity for marketing. Through proper marketing facilities, Munich, a city with a population of one-half a million, now gets one-fourth of its meats by road from neighboring farms.

Cities cannot live solely by the exchange of goods among themselves. They must also exchange their products for the farmers' goods. The city's prosperity is in direct ratio to the cost of distributing its output. For the manufacturer as well as the farmer, selling at home means lower distribution costs. The greater the freight and transportation costs, the lower the returns for the urban store. Urban prosperity is enhanced by selling to and buying from the country round about. In the more direct routing of food products lie golden prospects for lower living costs. Municipal markets further this direct routing.

*Munich late  
output*

*Adapted output to  
conditions*

*Interdependence  
of country  
& city.*

*Municipal Markets in the United States*

Municipal markets are not new. They were formerly found in every village and city. It was only in the latter half of the nineteenth century that the cities, absorbed in the development of their own industries, began to be neglectful of markets and market places. To be sure, fairly good markets still exist in many cities throughout the United States. Several cities claim fairly comprehensive markets. But such is not the rule. Out of 158 cities reporting to the Census Bureau for the Statistics of Cities for 1906, 104 (including 28 that spent less than \$1,000, and, therefore, must have had no market policy of any importance) reported no expenditures for either market or public scales; 42 reported expenditures of from \$1,000 to \$10,000, and only 12 of the 158 reported annual expenditures of \$10,000 or over. Out of 184 cities reporting for the Statistics of Cities for 1910, 88 reported no expenditures for markets and public scales; 35 reported an expenditure of less than \$1,000; 47 an expenditure of from \$1,000 to \$10,000, and but 14 an expenditure of over \$10,000. In other words, not over one city in a dozen throughout the United States has now anything like an effective market policy. Our cities are spending two dollars on cemeteries and crematories to one on markets; more, that is, on resting places for the dead than on food buying facilities for the living.

Municipal markets do not develop themselves. The American attitude has been to set aside a building or a plot of land for a market and then expect the market to be a success. The making of a successful municipal market with maximum results necessitates virile energetic  
1 thought and supervision. In the first place, there must be a terminal  
wholesale market in cities of any size where foodstuffs from both  
2 near-by and distant regions may be offered for sale as directly and as  
reliably as possible. A second essential is the adaptation of the kind  
and location of markets to modern customs, to movements in popula-  
3 tion and to transportation facilities. The third essential to a success-  
ful market policy is the encouragement of farmers' markets as distinct  
4 from merely groups of professional retailers, so that producer and con-  
sumer may be brought more directly together. Fourthly, charges  
for stall rents must be fixed at a point that will bring a reasonable  
return on the investment or present value, but not at a point that  
5 will return unduly large profits to the city. A fifth prerequisite to

success is to give to stall renters every reasonable facility in buying, preserving and selling their produce. Again the markets must be so regulated and supervised as to cleanliness, purity of food, and honesty in weights and measures, that it will be preferred by consumers as a buying place above other places not so regulated and supervised. And, finally, there must be thorough and systematic supervision and administration of the city's market policy, including reports on retail and wholesale prices, so that the public markets may be a real competitive factor both in attracting trade and in fixing consumers' prices. //

### *The Wholesale Market for General Trade*

The wholesale terminal market is needed to give a reliable clearing place at minimum costs for food produce, coming alike from neighboring farms and from producers in distant regions, thus securing to the city both the season's output of other climes and the greatest possible amount of selling and buying at home.

But few municipal wholesale terminal markets are found in America and such as do exist are not always administered in a way conducive to the best results. Well administered terminal, wholesale markets are characteristic of every European city. Typical markets of this character are found in Budapest, Prague, Havre, Lyons, Brussels, London, Paris. The establishment in Paris, for instance, located near the Louvre, and known as the *Halles Centrales*, consists of ten pavilions and open structures, partly covered by a roof, occupying in its entirety 22 acres and erected at a total cost of \$22,000,000. In this vast entrepôt, various market supplies are received by rail, by drays, by boats in the Seine River and by great wagons from the country; over one billion pounds of products are sold there every year.

The great need of American cities is properly located, adequately equipped and well administered public terminal, wholesale markets. The prime essential for such a market is location at a point where the tracks of all the railroads entering the city can terminate. If possible, it should also be located near the water front with adequate wharfage facilities for all truck boats; if this is not possible, then there should be a second such market on the water front.

*Convenient to  
rail & water*

*An Auction Department in Wholesale Markets*

was by  
1  
auction
 
 In order to fulfil its mission as a reliable terminal for produce sent into the city, a requisite essential to success is sale at auction by bonded city officials, forbidden to be interested directly or indirectly in the trade of market wares of any kind. The commission to be charged by these licensed auctioneers must be definitely fixed. In Europe the commission ranges around 2 per cent of the total annual auction sales. This in itself is a much lower cost for selling than the usual commission charged in this country. This saving, however, is a very insignificant part of the total savings to be made by adopting the auction system. Great savings will be brought about through the elimination of all commission abuses. Of still greater significance, the producer will be tempted to ship to the city with such a department, knowing full well that he will get maximum returns for his goods. The producer then has three choices: either alone or in  
 1) coöperation with others, he can rent stands in one of the retail  
 2) markets; he can ship directly to some wholesaler; or he can sell at  
 3) this public auction. The experience of European cities is that he adopts the third.

Just such results from auction departments in terminal wholesale markets are emphasized in the recent special consular report on European markets.<sup>1</sup> Consul John C. Covert says as to this system in Lyons: "Fish and game are brought here for sale from England, Germany, the Netherlands, Russia and from all parts of France. If a grocer or butcher anywhere in France, in fact anywhere in Europe outside of Lyons, has an overstock of any kind of provision, he is always sure that he can get rid of it at the central market auction in Lyons. Often a stock of provisions is sold here at private sale by correspondence for and to parties outside the city." Consular Assistant Frank Bohn writes as to results obtained in Berlin: "The municipal sales commissioners are bonded officials who are forbidden to be interested, directly or indirectly, in the trade market wares of any kind. They are responsible to the market-hall management, and are allowed to collect a certain fixed percentage of all sales made. The primary purpose of these officers is to offer distant dealers and producers opportunity to ship in their wares, and have them brought into the hands of Berlin dealers and consumers, through the agency of

<sup>1</sup> See Special Consular Reports, Vol. xlii.

responsible middlemen and with the assurance of a published and steady price. A second or indirect purpose is that through their competition with the private wholesale dealers and through the daily publication of their report on the average wholesale prices for all wares and at all the halls, the municipal sales commissioners exercise a steady influence upon the entire wholesale business. Although it is estimated that they handle only about one-fifth of the total wares received at the central market-hall, it is nevertheless conceded that they indirectly prevent extortion by the private wholesale dealer upon the producer or dealer on the one hand and upon the consumer or retailer on the other."

There can be little doubt that the auction department of the municipal wholesale terminal market is of great value in getting reliable and stable sales for goods sent in alike from the neighboring regions and from the most distant countries. To prevent abuse, it would be necessary to enforce strictly the regulation that all goods sold at the auction department must come from without the city.

#### *The Administration of Wholesale Markets*

Not only can trade be attracted from without by bona fide municipal auction sales at a terminal market and by similar means of giving confidence and publicity to such a market center, but facilities can also be offered of a character that will attract to such centers buyers from all parts of the city itself. As in European cities, chilled rooms can be provided into which perishable produce can be unloaded from the cars, and repacked to suit the trade, without the deterioration inevitably resultant from unloading in a warm atmosphere. Under the market-hall, cool, clean cellars and ample cold storage facilities can be made available for the temporary use of all buyers at reasonable rates. This will mean goodly savings in transporting costs and warehouse facilities and will prevent spoilage and lowered values. A municipal canning and preserving plant conveniently located in the building, pays for itself, and prevents deterioration and waste.

A municipal terminal market makes for many economies in food distribution. By delivering cars right at the wholesale market, all trucking from the railroad terminal to the wholesale market is eliminated. The significance and value of this saving will vary with each of the cities. For instance, every day from New England, quantities

of fish are brought to the freight terminal on the Harlem River in New York City, and, because of the lack of marketing facilities there, are then loaded on a barge and taken down to the fish market, there to be sold, only to be again carted back up town. A municipal market and distributing depot in the Lower Bronx on the Harlem River, at a point of convenient access to the railroads and water lines, will eliminate much of this useless trucking. It is safe to estimate that a terminal, wholesale market will save at least ten to twenty dollars a car in hauling costs. It will effect even greater economies in time, in interest on investments and in facilitating the marketing of the food supply. At many railroad terminals there are such private wholesale markets now. But they are not adequately regulated, they are not supervised by public officials, and they are not coördinated with the terminals of other steam, electric and water lines.

A wholesale market attracts not only retail dealers, large and small, but also the larger consumers, such as hotel and restaurant managers, and, more pertinent still, makes possible an increased amount of coöperative buying through consumers' leagues and consumers' coöperative associations. This direct buying without the retailer as an intermediary is definitely furthered by fixing the quantities that can be offered at wholesale at relatively small amounts. In the wholesale market at Havre, France, merchandise may be offered for sale in such small quantities as 6 ordinary sized bunches of vegetables; 9 quarts, or, when sold by weight, 11 pounds, of fruits and vegetables—even this minimum being reduced by half during April and May; vegetables which it is customary to sell by count, such as cabbages, cucumbers, tomatoes, etc., 1 dozen; oranges and lemons, 1 dozen; large vegetables, such as cantaloupes, melons, etc., in as small quantities as one of each. In Lyons, quails, partridges, ducks, etc., are put up in bunches of half a dozen or a dozen; eggs in lots of 100; cysters in boxes of 100; butter in lots of 50 pounds. With sales in such small quantities as these, the smaller consumers, through coöperation, and the larger consumers everywhere can buy with but one intermediary between them and the farmer, and that a public auction department that adds but 2 per cent to the cost of goods.

Buyers are further attracted to such markets through careful municipal inspection of the quality, quantity, weights and measures of all food-stuffs sold. Thus at the wholesale terminal market at Paris, supplies are received, inspected, weighed and sold to retailers and

consumers, under official supervision so constant and efficient as to preclude the sale of unwholesome food products and to prevent extortion and trickery.

Of greatest value to the wholesale terminal market, both because it advertises the market to the producers everywhere and because it gives a basis for comparison with the prices secured by private dealers, is the publishing of a daily bulletin giving the wholesale price of produce, and at least a weekly bulletin giving the retail price as paid by city consumers. This is done in certain European cities with telling effect. Thus the market at Budapest publishes a daily bulletin giving the wholesale price of produce, and a weekly list of retail prices, declaring itself not to be responsible for any controversy which may arise as to results thereof. No one activity on the part of market officials could more forcibly stimulate direct marketing than such published bulletins. Farmers could then have reliable information as to what prices they could secure at wholesale and what prices they could secure by selling their articles directly to consumers.

*The value  
of a price  
bulletin to  
city marks*

The economies and savings effected by well located, properly administered, carefully inspected wholesale markets, are, indeed, of no mean proportions.

Mr. John C. Covert, Consul at Lyons, says as to the results attained by the wholesale market there: "During the auction the market women and the keepers of small groceries, fish, fruit and vegetable stores fill the space in front of the auctioneer to replenish their stocks. This market is most emphatically favorable to the poorer classes. Many poor people bid off a bunch of game or fish, dividing the expense among themselves, thus procuring a luxury that they could not otherwise enjoy. It creates a center in the city to which food comes from many points, largely increasing the supply. It reduces the prices to retail dealers in the market and sharpens competition. The auctions are always public and the woman who buys of a small dealer often knows just how much the dealer paid for the articles in the market that morning."

#### *Retail Markets for Social Trade*

The second essential to an adequate, constructive municipal market policy is the adaptation of the city's markets to movements of population and to the city's environmental needs. As residential centers change, markets decay. Stall rentals must, therefore, be

much  
markets  
for  
the trade
 sufficient to provide depreciation and replacement funds so that markets may be relocated in order to follow population movements. The typical European market system includes the central wholesale terminal market, as above described, where retailing is also permitted, and a number of branch retail markets. Thus in Paris, there are, in addition to the *Halles Centrales*, 33 small retail public markets. In Budapest there are one central and six branch markets. In Antwerp there are two covered and nineteen open air markets.

Not only must the retail municipal market be adapted to population movements, but it must also be adapted to modern conditions and usages. The retail unit characteristic of the day of the telephone and central supply station is a small store, such as the Acme Tea stores, the United Cigar Company stores, the Horn and Hardart restaurants, where there is a quick turn over of capital, and where delivery charges are low. The retail municipal market, to be successful, must adapt itself to this tendency. Its size will, therefore, depend on the number of buyers round about and will be different for each city and in each section of the same city. It need only be large enough to offer a sufficient variety to the purchaser to tempt him to come there to buy. Its success or effectiveness, therefore, cannot be measured solely by the number of stall renters or purchasers. To compete with modern retailing methods, there must be coöperative deliveries, and to compete with the central buying concerns, there must be coöperative buying among the stall renters. In general, through their associations or otherwise, the stall renters must form an aggressive, competing unit, fully cognizant of the advertising value of thorough inspection of their foodstuffs and of virile supervision of their sales practices.

If municipal markets, wholesale or retail, are to be of the greatest social value, every effort must be made to encourage their use by farmers and other food growers. The market of former days was essentially a place where producer and consumer met. But today, the stall renters in the markets of the American city of any size are almost all professional retailers and in no sense farmers or producers. Thus in the Old South Second Street Market of Philadelphia, the larger of that city's two municipal markets, out of 315 stall renters there are not over a half dozen farmers. Indeed in only ten of that city's forty-seven wards do farmers play any considerable part in the sale of foodstuffs, and even in these ten wards they do not sell to over 10 per cent of the people. The time should come without doubt when



the difference between producers' and consumers' prices will not tempt the farmer to turn salesman for his own goods. But that time certainly is not here now, and for some time will be far away.

In the meantime, and indeed, for competitive reasons, even after this happy state is reached, every encouragement and protection should be given to farmers who desire to sell at the city's markets. In certain of Philadelphia's markets, many professional retail dealers in no sense farmers have out signs proclaiming themselves to be Bucks County, or Montgomery County or Lancaster County farmers, selling only goods fresh from their own farms, when, as a matter of fact, they have bought the goods that morning at wholesale, or, at the best, are jobbers who buy from farmers. Want of confidence results, as purchasers sooner or later learn of this fraud; both bona fide farmers and buyers then stay away from the market. City ordinances should provide that none but bona fide farmers should display farmers' signs.

Another legal obstruction to the farmers' use of city markets in Pennsylvania is the fact that the mercantile tax laws of that state exempt from the retailer's tax the farmer who sells his own goods, but do not exempt him if he brings in the goods of his neighbor. In the days when this law was passed, in the third decade of the nineteenth century, this statute worked no hardship as it let into the city, free of tax, about all the farmers who chose to come in, that is, those not over a fair day's drive out. But now in the days of trolley freight, the motor truck, the gasoline barge and better roads, the radius of possible marketing is five-fold what it then was. Now farmers must, to pay for their time, bring in their neighbor's goods as well. To amend this tax law so as to permit this would largely increase the amount of food produce sold directly from the farmer to the consumer. Of like inhibitive effect is the license fee of one dollar required to sell poultry in Philadelphia. The average farmer does not feel it worth his while, for the small number of chickens he can sell at any one time, to take out the license. There is no inspection that accompanies the license; it is primarily a source of revenue only. These are small things, to be sure, but the tendency is to multiply such small restrictions instead of endeavoring to take away every obstacle and offer every inducement to the farmer who wishes to frequent the city's markets.

*Open Air Markets*

To give farmers minimum rental costs, at slight expense to the city, in good residence locations, many cities in America and Europe, have set aside streets for open air or curbstome markets. Vienna has 40 such open markets; Antwerp, 19. The rental for wagon space, as a rule, is nominal only. Thus in Atchison, Kansas, and San Antonio, Texas, a charge of ten cents a day is made for each wagon, while in Buffalo the rate for a one-horse vehicle is 25, for a two-horse vehicle, 50 cents per day. In Brussels, the charge is one cent per day, while a bench may be secured for  $2\frac{1}{2}$  cents, or a covered stall for 5 cents, furnished and set up by the city. This practice of merely nominal rentals for stall space is no doubt the correct one. Careful inspection is necessary to make sure that all space renters in such markets are bona fide farmers. If other venders are allowed to use such markets at all, they should be segregated in sections clearly marked by placards as set aside for venders not farmers. This is done in Rochester's market. A third section could likewise be set aside for pushcart venders. All licensees must be required to deposit their refuse and papers in rubbish cans with secure lids and every other precaution taken to keep the streets sanitary and clean. Collapsible counters and coverings should be available for use in sunny or in rainy weather, to be removed by their owners after the market is over.

The pushcart, the vender's wagon and the open air farmers' markets offer the cheapest possible store at adaptable locations, and thus should give avenues for food distribution at minimum costs. While there can be no doubt that the covered market will be the better in the long run, yet the open air curbstome market offers a good temporary method of attracting farmers and of giving consumers an opportunity to buy directly. Two and a half miles of streets in Cleveland are lined by 1300 farmers and 400 hucksters. Both Baltimore and Montreal attract 1500 wagons each market day by their curbstome markets. The results of such a market in Des Moines have been described as follows: "Between 100 and 200 farmers gather on the city hall lawn and in the streets adjacent thereto between the hours of 5 and 10 o'clock in the morning, without paying any license or rent. They are permitted to sell direct from their wagons to the city consumer. The result has been that they have received approxi-

mately 50 per cent more for their produce than the commission men paid them before, while the city buyers get their produce for approximately 50 per cent less than was paid formerly. By compelling the sellers to display large cards stating whether they are gardeners or hucksters, the public is enabled to discriminate and to purchase direct from the man who grows."

The secretary of the Chamber of Commerce of Oklahoma City says as to the effects of the curbstome markets in that city: "There can be no question as to the market having reduced the cost of living to the average family in Oklahoma City. . . . The first day there were about seventy wagons present on the market, and a small crowd of buyers. Within a few weeks we counted 318 wagons on the street (their contents valued at \$5,000) and a swarming crowd of people who jostled and shouldered each other in their efforts to secure the choicest first." (Written September 14, 1912.) Another writer says as to the results of this same market: "Actual figures, comprising the retail cost of all kinds of food supplies in Oklahoma City with those of a year ago show decreases ranging from 25 to 50 per cent; nor is this the only benefit the city has obtained through the establishment of the market, for the facilities for the sale of farm and garden produce have greatly stimulated agricultural settlements in the vicinity. Since the market was established more than 25 families have taken up small tracts adjoining the city for truck gardening, and hundreds of inquiries from others who wish to take advantage of the market have been received."

### *Market Rents and Facilities*

Since the purpose of municipal markets is to give facilities to producers and lower prices to consumers, stall rentals should be fixed at the lowest point that will mean a fair return on the investment and provide for adequate renewal and depreciation funds. This principle has been fairly well carried out in many cities. A fresh meat dealer in the central market of Paris can rent a stall, secure the service of attendants and pay for sweeping and cleaning for about \$6 per week. Stalls in the covered secondary markets are rented at from 10 to 30 cents per day. In Berlin the highest rental for meat stands is 9½ cents per square meter per day when rented by the month, and 12

cents when rented by the day. Fruit stands vary in rental from 5 to 9 cents per day.<sup>2</sup> Stalls in any one of the three substantial brick market buildings in Indianapolis may be rented at \$2.75 to \$7 per month.

Even with such moderate stall rentals, there seems to be no difficulty anywhere in running markets at a profit.<sup>3</sup> But the success of municipal markets must never be gauged in terms of profits. The city should be satisfied to get a reasonable return on the investment or a fair present valuation.

Of greater importance than low rentals are adequate and proper facilities for stall renters and for the purchasing public. The public must have clear passage-ways and fair purchasing opportunities. All noises, singing, acrobatic performances and distribution of hand bills must be prohibited within market limits and within a reasonable distance from the market. Hawkers and peddlers must be forbidden to ply their trades within at least five hundred feet of the market. The terminal wholesale market will, of course, have maximum transportation and distribution facilities for both the general and the country trade, with railroad tracks on both sides to facilitate unloading, with ample wharfage, docking and transshipping machinery. Each of the small markets where possible should have branch terminals, especially from all the transporting agencies that reach out into the surrounding farming communities. Thus trolley terminals at each market will give an avenue for direct buying in less-than-carload lots and an easy and popular outlet for the surplus of small farmers.

<sup>2</sup>In Rotterdam, the stall rentals for vegetables and fruits are \$2 per year, 20 cents per month or 6 cents per week for a space of about 20 square feet. In Birmingham, the rents for stands in the wholesale markets average about 18 cents to 24 cents, with an occasional 40 cents, per square yard per week; while in the retail markets, the rents for stalls and shops vary from 24 cents to \$4.37 per week according to position and class of business. Germany has subsidized her municipal markets by a law reducing the import duty one-half and railroad charges one-third for all meat sold in municipal markets or by coöperative societies.

<sup>3</sup>Paris has an annual profit on its markets of about \$1,000,000; Berlin, \$135,000; Liverpool, \$85,000; Birmingham, \$156,000; Vienna, \$60,000; Budapest, over \$100,000; Glasgow, \$11,000. There is likewise a profit in American cities. Boston has an annual profit on its markets of \$60,000; Baltimore, \$70,000; New Orleans, \$79,000; Buffalo, \$44,000; Cleveland, \$27,000; Washington (D. C.), \$7,000; Nashville, \$8,000; Indianapolis, \$17,000; Rochester, \$4,000; St. Paul, \$4,000.

Good direct roads will encourage wagon and motor truck shipments while wharfage facilities will stimulate the movement of food by water. Not only can such markets have good facilities for incoming freight, but the stall renters, under proper coöperation among themselves, and with the market officials, can also effect economies in help, in ice, in storage and in deliveries. The goal should be the elimination of unnecessary costs to all, that purchasers may secure their goods at minimum prices.

### *Lower Food Costs Through Inspection*

But minimum prices, it must ever be remembered, may in reality be unreasonably high prices unless accompanied by honest weights and honest goods. The one great social and advertising advantage of municipal markets, both for the stall renter and the buyer, is the opportunity afforded by the very nature of the market to enforce the laws and ordinances aimed at adulteration, misbranding, and false weights and measures. Buyers will ultimately seek out the well regulated and well inspected market. By protecting its citizens through virile inspection, the city will also ultimately further the best interests of the stall renters themselves. Inspectors of the health department visit Baltimore's market daily. In certain European cities, such as Budapest, all meats must be inspected before they can be offered for sale. Inspection by market officials, coupled with inspection by city and state food inspectors, should make it almost impossible to sell adulterated, decayed, misbranded, deteriorated, diseased or misrepresented foods or goods at the city's markets. The market buildings can be light, well ventilated, thoroughly cleaned and wholly sanitary. Reasonable regulations can be made as to screening goods from flies and requiring perishable goods to be kept properly chilled.

Health officials, however, need to be constantly reminded that their ends are to be attained by the least expensive, effective means. Food contamination means poor health, suffering and oftentimes death. Health and pure food officials, who have to prevent these disastrous results, are not always careful to accomplish their ends by the least expensive yet effective means. Foods must be protected, even to be cheap; yet the method of protection should not of itself be an undue burden to the business man and the consumer. Through

sane regulations, virily enforced, the municipal market can be made the best place for all to buy. Stall renters as well as consumers will ultimately profit by such standards.

The goods offered for sale in markets, especially in those located in the poorer districts, need not be limited to foodstuffs. In the markets of Antwerp is offered almost everything from vegetables, meat and fish to second-hand books, old clothes, furniture and household goods. In the markets of Budapest are found hardware, toys, underwear, hosiery, etc. In Prague are found kitchen novelties and all the various articles usually found in the American ten-cent stores. In Lyons, there is a special market where manufactured goods can be sold cheaply. To prevent abuse, each class of goods can be restricted to prescribed sections of the market. The sale of various kinds of goods at the markets will both entice purchasers and facilitate their buying at reasonable prices. Cheap rents mean low prices, and low prices will ultimately mean higher real wages.

#### *Results Secured by Typical Markets*

Municipal markets have secured results. In Cincinnati 60,000 people flock to the Saturday market; in Baltimore, 50,000 on market days. Henry G. Gniffke thus enumerates the results secured by the open air market in Dubuque, Iowa:

"1. Dealer and consumer come together. There is no middleman's profit to pay. 2. The dealer is under scarcely any expense for rent, fixtures or help. 3. For over 99 per cent of the stuff sold here there has been no freight bill to pay, no cost of crates, refrigeration or boxes. 4. The seller has no real waste, because he can always dispense of any surplus he may have over to the grocers, the shippers and other dealers, besides the home bargain hunters. 5. The purchaser is always sure of fresh stuff. 6. Supply and demand fix the prices, modified by the demands of the shippers for other towns and the abundance of stuff sent in. 7. The variety to choose from is nearly without limit at some seasons.

"An additional advantage of the market comes to the small man who has a surplus that he has raised. He can bring that to the market. For the fee of from 5 cents upwards he can find a place where he can sell this to the very best advantage, with really no expense

attached to it. This also applies to the small dealer who goes out into the country and buys truck to resell."

Consul-General Henry W. Diederich says as to results obtained by the market at Antwerp: "On account of the cheap rental of stalls, merchandise for sale in the markets is sold at prices lower than those prevailing in the stores, and the farm and dairy products and vegetables bought at the markets are fresher and usually of better quality."

One principle as to the market success has not been sufficiently clear to the buying and tax-paying public and that is this: the value of the market to the city and to the consumer depends entirely on the efficiency and thoroughness of the city's market superintendent. Market failure can most often be traced to the sodden interests or the narrow vision of the market master. Markets left to themselves tend to become but groups of grasping retailers, with no interest in public standards and no vision as to results accruing from enforced quality for goods and decency in sales practices. Upon the administrator of the market depend its cleanliness, the effectiveness of its inspection and the extent of protection to the producer, the honest retailer and the consumer. The value and effectiveness of the market as an agency for distributing goods wholesale at lowered prices depend primarily upon the virility with which its affairs are administered. The official in charge must, therefore, be of high character, steadfast in standards, with power to bring all stall renters to high business standards, and ability to attract to the market both producers and consumers. A market so administered will be a vital and up-lifting factor in feeding a city.

Something more is needed than merely a market clerk to administer the routine of the markets. There is needed a market bureau in its broadest sense, supervised by a director whose vision is large enough to include every phase of distribution and whose capacity is great enough to bring about a better coördinated and more efficient distribution system throughout the entire city. Such market bureaus can make a special study of the distribution system peculiar to its city. Through such bureaus needless costs may be eliminated and information secured essential to a sane, constructive city plan for minimum distribution costs. The market problem is as broad and as important as the entire problem of feeding a city.

## SOME TYPICAL AMERICAN MARKETS—A SYMPOSIUM

### I. THE PURPOSE OF THE SYMPOSIUM

BY CLYDE LYNDON KING, PH.D.

There is everywhere a demand for more definite data as to the results and administrative methods of municipal markets in the United States. It is with the thought of meeting these various demands for information that this symposium is arranged. It is believed that the information in these articles, together with the detailed data given in the questionnaire by Mr. Farley, and the material offered in the other articles on Municipal Markets and Direct Marketing, will cover fully the important problems of municipal markets and the most important results accruing therefrom.

In order that the papers in the symposium might discuss practically the same subjects, the following list of topics was sent to each contributor, who was also asked to include any other data of special interest pertaining to his market.

(1) The character of the market—whether wholesale, terminal, district, waterfront, curbstone, etc.; (2) the charges made for stall and space rentals, and all other expenses that would have to be borne by the licensee; (3) the net profit to the city; (4) the city's regulations as to adulteration, misbranding, weights, measures, food deterioration, sanitary conditions, etc.; (5) the extent to which the city's markets are frequented by bona fide farmers on the one hand, and professional retailers on the other; (6) the regulations and measures taken to encourage farmers to use the markets, including a discussion of existing regulations and practices that discourage direct marketing by farmers, and constructive suggestions as to what steps should be taken; (7) the nature and character of the administration and supervision of the markets by the city's appointed elective officials, including their salary, tenure, qualifications, and the present and proper qualifications for such officials; (8) the nature and character of any publications or bulletins that are issued by the markets; (9) the effect of the market on: (a) producers' prices, (b) consumers' prices, (c) the quality and freshness of the perishable goods offered for sale; (10) the extent to which other foodstuffs are sold at the market; (11) whether or not the city's market policy has had any effect on the output of outlying farming regions or on getting farmers to adapt their products to the city's needs; and (12) constructive measures that should be taken to further the municipal market as an agency for local and direct distribution of foodstuffs and similar goods.



## II. BALTIMORE'S MARKETS

By JAMES F. THRIFT, Comptroller,

AND

WILLIAM T. CHILDS, Deputy Comptroller,  
Department of Finance, Baltimore, Md.

*The character of the markets.* Baltimore is perhaps the pioneer of American cities in municipal markets, three markets having already been established within the limits of the city by the Maryland legislature before the incorporation of the city in 1796. There were only twenty-five houses, four of brick, in Baltimore Town in 1751 when efforts were made, first by subscription, and later, as was the custom of the day, by lottery, to raise sufficient funds with which to erect a public market house. Today, the city of Baltimore owns the land and structures of its eleven municipal markets, located in various sections of the city. Ten are retail and one wholesale, the latter being a wholesale fish and a wholesale produce market. None of the municipal markets is on the waterfront, and practically all goods sold in these markets are hauled to and from the markets in horse-drawn or motor vehicles. We could not term any of our eleven municipal markets terminal markets. There are two independent terminal markets in the city, however, one a wholesale fruit and produce market at the Pennsylvania Railroad Company's Bolton freight station and the other a similar market at the Baltimore and Ohio Railroad Company's Camden freight station. At these two wholesale markets, hundreds of carloads of fruit and produce are weekly sold; some to hucksters, some to the market people and much to commission merchants for re-shipment. In addition, a market of no small proportions is conducted at the municipal docks for the sale, generally by auction, and re-shipment, of weekly steamerloads of fruits, principally bananas, large quantities, however, being purchased by local Italian dealers and sold in the markets. The nearest approach to curbstome markets we have is seen in the streets surrounding the market sheds, given up to market purposes, rows of movable street stalls and wagons being placed along either side of the streets on market days.

*Stall and space rentals, and other expenses.* The charges for market stalls and spaces vary in the different markets. In Lexington Market, which is the largest and most popular of our markets, and where the highest charges prevail for stall rentals and space, the following annual charges are made for what is known as butcher stalls:

License.....	\$10.00
Rent.....	20.00
Per diem (according to the number of days of the week stalls are occupied).....	<u>12.00</u> or <u>\$18.00</u>
Total.....	\$42.00 or \$48.00

This is the largest total charge made for any stall in any of the retail markets and no other charges or fees are assessed. Neither are the stalls taxed by the city as personal property. In many instances the stalls were purchased at auction sales at anywhere from \$100 to \$3000 each. The owners have an easement in the stalls, are permitted to sell them or same can be given and taken as security for debt, etc., so long as the owners pay the charges prescribed by ordinances and comply with the market rules and regulations. The annual charges for what we term permanent stalls in Lexington Market are:

License.....	\$10.00
Rent.....	8.00
Per diem (according to the number of days of the week stalls are occupied).....	<u>12.00</u> or <u>\$18.00</u>
Total.....	\$30.00 or \$36.00

The annual charges for what we term street stalls in each of the ten retail markets are:

License.....	\$10.00
No rent.....	
Per diem (according to the number of days of the week stalls are occupied).....	<u>12.00</u> or <u>\$18.00</u>
Total.....	\$22.00 or \$28.00

This is the lowest total charge made for any stall in any of the retail markets. It will therefore be seen that the range is from \$22 to \$48 per annum.

The license was increased from \$5 to \$10 this year. In Centre Market, which is our wholesale market, the charge for the wholesale fish sections, including an office, is \$400 per annum, and the charge for the wholesale produce sections is \$200 per annum.

*The net profit to the city.* The market people contend that the markets are self-supporting under the old schedule of rates, in effect prior to last July, but this cannot be admitted by the city when there is taken into consideration all the expenses to which the city is subjected in providing light and water and cleaning the markets, in addition to all other charges for maintenance. A very large item which the city believes is a proper expense to be borne by the markets is that of the income to the city upon the value that it has placed in the markets. The view of the city is that the markets should not only provide a revenue sufficient to maintain them but also to compensate for the net outlay that it has made in the markets. Taking into consideration, then, the ordinary and natural expense of running the markets and the fact that public property when used by private individuals for private purposes should be upon such basis as to bring the city a revenue for its outlay, it cannot be said that the markets are at the present time operated at a net profit to the city. The market people contend that it is improper to consider as one of the charges upon the maintenance of the markets the expense, over \$30,000 per annum, borne by the street cleaning department in cleaning the streets about the markets and hauling away the refuse from the markets after market hours. The city, however, maintains that this is a proper charge against the markets, and, this being so, we figure that the excess of the expenditures over receipts for the calendar year 1912 was nearly \$24,000.

We can safely say, taking into consideration all of the charges and expenses to which the city is at present subjected by reason of the existence of the markets, as well as the necessity at the present time of spending considerable money for repairs and improvements (estimated at nearly \$100,000), the city is not today deriving a net profit from its eleven municipal markets, but, on the contrary, is operating them at a loss. This is true, even if in the past the markets were self-sustaining and remunerative, by giving proper credit for the large sums of money received by the city from the sale of stalls. Unfortunately all of the old records are not available. Some of the sales of stalls were made prior to 1857, the year the office of city comptroller was created.

Present conditions, however, have caused the present administration at Baltimore to increase the market licenses from \$5 to \$10 per annum and to require the butchers to pay the per diem charge,

which is a charge originally instituted to cover the cost of cleaning the markets, and from which, apparently for no good reason, the butchers have practically always been exempt. It is thought that, with the new schedule of charges, the markets will be made self-sustaining, it being the purpose of the present administration not to increase the market licenses and rentals for revenue *per se* but to put back into the markets in the way of improvements, all the market moneys collected. It is believed that no great hardship will be effected by conducting the markets so that they will not be a charge on the taxpayers; this is our present aim.

It would be interesting to know if there is another large city in the United States in which the public market butchers or produce dealers do the volume of business that is done by the butchers or produce dealers in the Baltimore markets at the small expense that prevails at Baltimore. Prior to this year the total license and rent charges upon the butchers in the Baltimore markets were only \$25 per stall per annum, and in many instances the city derived only \$5 per stall per annum from street stalls.

*Regulations as to foods and sanitary conditions.* The city's regulations with regard to adulteration, misbranding, deterioration and sanitary conditions are under the supervision of the city commissioner of health. In general the regulations are similar to those of the national government and state. The inspections of the national government and state are largely confined to the meats at the abattoirs, while the city food inspectors are at all times in the markets.

The regulations with regard to weights and measures come under the supervision of the department of weights and measures, of which the city comptroller is the head, and the city's inspectors of weights and measures confine much of their activities to the markets. The city's regulations with regard to weights and measures are similar to standards of the United States bureau of weights and measures. We have in contemplation some changes in our ordinances on weights and measures.

*Bona fide farmers versus professional retailers.* The professional retailers greatly outnumber the bona fide farmers. The assistant market master of Lexington Market estimates that bona fide farmers are but 10 per cent and professional retailers 90 per cent. In fact, not a few of the farmers, and this is by no means to their discredit,

in order to add to the variety of their stock, purchase no small quantities of produce from the wholesalers in the city to whom the produce may be shipped by water or rail from other sections of the state or outside, or who may have purchased, at auction, at the wholesale produce markets conducted at the Pennsylvania Railroad Company's Bolton freight station or the Baltimore and Ohio Railroad Company's Camden freight station.

*Encouragement to farmers.* As early as 1860, the legislature of the state of Maryland, recognizing the wisdom of encouraging direct dealing between the farmer and the consumer, passed an act which, after being repealed and reenacted several times by successive legislatures, is still on the statute books, namely:

No charge, tax or fee shall be set, rated or levied upon any person or the property of any person who shall attend any of the markets of said city (Baltimore) with any articles or produce from the country, to vend in said markets, of his own growth, produce or manufacture, or as the agent of the grower, producer or manufacturer of the same, unless such person shall occupy some place or stand in some of said market houses; provided such person or agent be not a resident of said city.

The comptroller of the city of Baltimore, the official in charge of the municipal markets, is often asked, by persons or committees appointed to consider the advisability of establishing municipal markets in their own cities: "What is the attitude of the retail grocer toward the public markets in your city?" To be sure, the retail grocer, for his own selfish benefit, would have no public markets, either controlled by the municipality or otherwise, if he had his way. He has not the same grounds for complaint in Baltimore that he might have in another city where the public markets have but recently been established and have become a new source of competition to him; for, long before he set up his store in Baltimore, the public markets had there become a fixture.

Baltimore is peculiarly situated, perhaps we might say, advantageously situated, with respect to produce. The eastern shore of Maryland is one large garden; and on the western shore, within a few miles of Baltimore, are the famous Anne Arundel County truck farms. Now, it would be almost impossible for the farmers within driving distance of Baltimore to compete with the eastern shore and Anne Arundel County truck farms; in fact, the produce of these sections is on the market long before that of the country round

about Baltimore, and the famous truck farms of the Norfolk, Va., district are only a night's run by steamer from Baltimore. Besides, the modern refrigeration cars, operated on almost passenger schedule, enable the growers in the South to place their produce in Baltimore in comparatively short time. It will therefore be seen that improvement in transportation facilities has cut no small figure in the market conditions. The farmers round about Baltimore have been bringing their products to the Baltimore market all their lives and it is a question whether it would be more profitable to them to devote more acreage to produce than to wheat or corn or hay, etc. This, of course, could only be determined by actual experiment. Perhaps it would not be unwise for the city to investigate this, in conjunction with the state or government experiment stations, somewhat on the same basis as the government and state demonstrators operating under the United States agricultural department.

It is claimed by the market people that the modern department stores and the increase in markets awheel, hucksters who go from door to door and sell all kinds of foodstuffs, hurt their business to no little extent, and frequently the market people contend that ordinances should be passed placing such restrictions upon the sale of meats and foodstuffs by department stores and stores round-about the markets that would prevent the loss of their trade. This is a large economic problem, however, and cannot be satisfactorily solved by theorizing. Farming is becoming more of a science every year and it is not improbable that the time will soon come when every farmer will undertake to solve his problems just as every merchant or manufacturer does. Educational campaigns among the nearby truck farmers, such as are conducted among the farmers with respect to corn and other grain cultivation, would no doubt produce beneficial results to the farmer.

*The administration and supervision of the markets.* The comptroller has full supervision over the markets. There is a market master, really a misnomer, as almost his entire time is devoted to auditing in the comptroller's office. An assistant market master is in charge of each of the eleven municipal markets, the salaries ranging from \$400 to \$900 per annum, according to the size and importance of the market. The comptroller is elected by the people for four years. He appoints the assistant market masters and he may remove them at his pleasure. They are generally political appointees

and the comptroller determines their fitness for the position. They do not devote their entire time to the markets; the salary does not justify.

No *publications or bulletins* are issued excepting that the comptroller includes in his annual report the financial statistics of the markets. The city has also been publishing since the first of the year a *Municipal Journal* and occasionally items pertaining to the markets appear in the *Journal*.

*Effect of the markets on prices.* By dealing direct with the consumer, the producer gets better prices than from the middleman or commission merchant. The cost of hauling from the farm is no greater to the market than to the commission merchant's warehouse, and the license for a stall in the market is comparatively small. It is the opinion, after careful investigation, by the assistant market master of Lexington Market, that the consumer can purchase cheaper from the bona fide farmer than from the professional retailer, and it is also a fact that, as a general proposition, produce can be purchased in the markets cheaper than from the stores. To be sure the market people are wide awake as to the prevailing prices and are governed accordingly. This does not necessarily mean that they form a pool to maintain prices. It is a fact with regard to the fruit vendors, however, that bananas or oranges or lemons, for instance, of the same grade, bring practically the same prices on market days at all the stands or stalls from one end of the market to another. Without doubt the housewife is compensated in going to the markets, not only in being able to purchase cheaper than from her groceryman, but particularly in being able to get first quality fresh goods. Only the freshest goods are brought to the markets. In fact, some of the farmers and retailers sell their surplus after market hours to storekeepers in the city.

*Other foodstuffs sold at the markets.* Every article of food imaginable is sold in the markets, produce, fruits, meats, fish, oysters, crabs, game, canned goods, cakes, candy, butter, eggs, poultry. Indeed, there is very little the housewife would have to buy elsewhere if she cared to confine her purchases to the markets. It has been estimated that 50,000 persons visit Lexington Market on Saturday.

*The markets affect the output of the outlying farms.* The Baltimore markets, as already stated, were established before the incorporation of the city, when Baltimore Town was in its infancy, and

the markets have grown up with the city, and the farmers have grown up with the markets. It has been estimated that 90 per cent of the truck farmers or growers in the outlying districts from Baltimore bring their products to the Baltimore markets. The farmer who does this always has ready cash for his produce and this is no little inducement to him.

*Constructive measures.* This is a very difficult question to answer without a great deal of study and personal investigation, neither of which in our limited time and with the pressure of other official duties we can give. We sometimes feel at Baltimore, particularly in view of the need for modern sanitary structures to replace the antiquated sheds, that the city would be better off, financially at least, if the municipal markets were owned by private corporations, subject to municipal regulation. The market people, however, and perhaps the public also, would never consent to this. Again we feel it might not be a bad idea if the city had a head market master or market commissioner whose sole business was to manage the markets, to devote his time exclusively to the work, to be a practical, efficient official, to study the situation from every conceivable standpoint and to go into the proposition in the same way that would be required of a manager of a private corporation. As the matter now stands, the city comptroller is in charge of the markets, and, being the chief financial officer of the city, a member of the board of estimates, the board of awards and several other boards and commissions, and having charge of the harbor masters and the inspectors of weights and measures, it is impossible for him, with his multitudinous other duties, to devote a great deal of his time to the markets. Our markets have been allowed to go along on the "let well enough alone" principle for several decades. We believe we are now facing changes, let us hope for the best interests not only of the market people, that is, those who sell in the markets for profit, but for the taxpayer and the public at large. Some of the market people have seen fit to petition the courts to enjoin the city from carrying into effect the provisions of the new market ordinance, approved in July, the chief objection being on the part of the butchers, to an increase of \$17 per stall per annum in the total charges demanded by the city, namely, from \$25 to \$42 per stall per annum.

We are wrestling today with the problem of the constructive measures that should be taken to further the municipal markets at



Baltimore. It is a big problem, so big that we want to be absolutely sure of our ground before acting. We believe, however, that we have taken one proper step in the passage of the ordinance to change, to some slight extent, the present license fee, the increased revenue to go back into the markets by way of new improvements, to place the cleaning of the markets under the exclusive supervision of the commissioner of street cleaning, and to give the board of estimates authority to regulate the rentals as many inequalities of years' standing are known to exist. Other changes and improvements will be undertaken from time to time as may seem advisable. We are about to let a contract for the enclosing of one of the markets, in glass, to improve the sanitary conditions. This will be an experiment and we shall watch the results carefully. It is not unlikely that a commission will be appointed at an early date for the purpose of thoroughly studying market conditions to the end that improvements may be made wherever advisable. Changes in the centers of population have often made a once popular market a heavy liability upon the city and when such a condition confronts us, ways and means must be devised to remedy conditions.

That public markets tend to reduce the cost of living goes without saying. It is unquestionably so at Baltimore. Government statistics show that Baltimore is one of the cheapest cities in the United States in which to live.

### III. MUNICIPAL MARKETS IN CLEVELAND

BY CHARLES KAMP,

Market Master, Cleveland, Ohio.

There are three municipal markets in Cleveland. The Central Market is located in the downtown section and is readily accessible to twelve car lines. In connection with the market building there is a curbstome market, covering two and one-half miles of territory. Its tenants consist of 1,262 growers and producers and about 400 hucksters. The growers sell many products in a wholesale way, but also retail after 6 a.m. One street, near the various car lines, has been set aside for the meeting of retail producer and consumer. About 150 growers use this street. The New West Side Market, an exclusively retail market, and undoubtedly the finest municipal market building in this country, is located on the west side of the city. In this market there are 110 stalls and about 250 dealers selling from the curb outside the market. About 150 growers dispose of their goods at this market. A very modern storage plant is operated in the basement. The Broadway Market, also retail in its business, is an outlying market with 45 tenants.

As should be the case in all municipal markets, the stall rentals in the municipal markets of Cleveland are very low. High rents destroy the purpose for which markets are intended. The rents, varying as to location, range from \$15 to \$50 a quarter (three months), the \$50 stands being a few choice corner locations. The grower pays \$10 a year—an amount sufficient to cover the cost of cleaning. The curb huckster pays \$25 per year.

Until last year, the profits to the city from the operation of municipal markets amounted to \$20,000 annually. Due to the costs incident to operating the New West Side Market, earnings have been decreased to \$10,000 yearly.

There is a double inspection of weights and measures and also of foodstuffs. The city sealer inspects the weights and measures weekly. There is also a daily inspection by the force under the market master. The health board provides a meat and a sanitary inspector daily. A close watch on food products is also kept by the

force under the market master. Of particular mention is the type of scales used in the markets—a 15-inch double dial scale with large figures upon the dial. This scale must be hung so that one side of the dial faces the customer and the other side the dealer.

The markets of Cleveland are frequented by over 1,300 farmers and about 900 professional retailers. One great difficulty that has been experienced with direct selling by farmer to consumer has been the unwillingness of the farmer to spend the time at the market requisite for the disposal of his products. He is anxious to get back to the farm, and oftentimes forceful measures must be resorted to in order to make him retail his goods. The city can issue a license permitting him to wholesale but specifying also that he must retail. The position of Cleveland in this regard, however, is particularly fortunate. There is an immense farming vicinity round about the city, and the farmer is forced, therefore, to depend upon the retail trade for the disposal of the immense loads he takes to market.

The officials in connection with the markets are a market master, at a salary of \$1,800 per year, an assistant market master, at \$1,200 per year, and an inspector at \$900 per year. Within the last two years, these positions have been placed under civil service. Formerly the officials were appointed by the mayor for a term of two years. The market master and his assistant should have several years of actual market experience, making them conversant with general conditions and the tricks prevalent in the marketing trade.

Producers' prices are, of course, regulated by supply and demand. The farmers dispose of 95 per cent of their products in the markets. There has been a consequent lowering in the prices which consumers pay. In vegetables and fruits a saving of 100 per cent has been secured, and a conservative estimate would place the amount of saving at 50 per cent. The saving on meats and dairy products is approximately 15 per cent. It is evident that a well regulated market will have an effect not only upon the immediate radius of two or three miles round about, but upon the whole city as well.

The curb dealers make the sale of fruits their specialty and vast quantities are sold. There are over 200 meat dealers in the markets. One pork dealer in the Central Market sells two tons of pork every Saturday. Two cents per pound is the top margin of profit he makes on any sale and one and one-half cents per pound is his usual profit.

A proof of the attitude of farmers toward the municipal markets of Cleveland is found in the large number who bring their products to market.

As to constructive measures that should be taken to further the municipal market as an agency in direct distribution, the following may be mentioned: the municipal market should be in a location which is readily accessible to most of the car lines of the city. Low rentals should be charged. No telephone or delivery service should be allowed. Telephones are destructive of all principles for which markets are intended. A direct accompaniment of the telephone is the delivery service and oftentimes the credit system, and thus the fundamental principle for which the market was established—the saving of money to the public by minimizing all sources of expense in the way of costly service—is destroyed. The custom of giving trading stamps should be prohibited in the markets. Whatever donations are to be given should be given in prices to the people. The strongest kind of discipline should prevail in so far as honest dealing by the market dealers is concerned. The public should be able to come to a market with utmost confidence and make their purchases. It might be suggested, in this connection, that no leases be given to stall holders so that the official in charge might vacate the stall of any dealer who failed to deal honestly with the public. Good food inspection is also very essential to the success of a municipal market.

## IV. THE INDIANAPOLIS MARKET

BY ANNIS BURK,

Secretary to the Mayor of Indianapolis, Ind.

The impression prevails in many places throughout the country that the Indianapolis Market is the outgrowth of Mayor Shank's efforts to reduce the high cost of living and that the city is engaged in the buying and selling of food products. While it is true that the mayor purchased great quantities of potatoes and other food products and sold them to the poor at prices lower than those demanded by regular dealers, he is not engaged in this business regularly and in no way has the city recognized his efforts as a municipal undertaking. In fact the market is as old as the city itself. There is only one in Indianapolis and consequently it is one of the largest in the country. On an average, eight hundred dealers and producers transact business there on market day.

The market is both wholesale and retail. Much of it is under roof but many producers occupy space along the curbs of adjacent streets. The charges for stands vary and are based on the size of the stalls, averaging from \$30 to \$125 per year for those inside and from \$20 to \$30 per year for desirable locations outside of the buildings. All of the expense of operating the market is paid by the city and the net profit averages from \$15,000 to \$20,000 a year. It is operated under a city ordinance, is under the supervision of the department of public safety and in direct charge of a market master and his assistants, appointed by the department. It formerly was the custom for the market master to issue bulletins but this practice has been discontinued.

Both retailers and producers have stands on the market but preference is given the latter. Every inducement is offered the producer in the way of cheaper rents and choice location. The market is open Tuesdays, Thursdays and Saturdays and is visited by all classes of citizens. Everything in the edible line is on sale and prices generally are a shade lower than those asked at grocery stores.

## V. THE MILWAUKEE MUNICIPAL MARKET

BY LEO TIEFENTHALER,

Municipal Reference Librarian, Milwaukee, Wis.

Milwaukee has one large market. It occupies half of a city block and is approximately 400 feet long and 150 feet wide. The site is a grant to the community made in 1835 by the owners of the property when the land was platted. It was used as a wood and hay market for many years, but gradually developed into a market for truck and garden produce. It is still, however, being used as a hay market. In 1906 a canopy or protecting roof was erected along three sides of the market for the accommodation of the farmers and gardeners. The space beneath this canopy and in the interior is divided into stands or stalls. The farmers and gardeners rent these by the year or day and sell directly from the wagon. Except for a sale of hay, for which a definite time is set apart, it is strictly a market for garden truck. No fish or meat is sold, nor are there any counters or booths.

The charges for the rental of a stand or stall vary, being \$20, \$15, \$10, or \$8 per annum, according to the location of the stand or stall. The charge for rental by the day is twenty-five cents. This is the only financial obligation placed upon the farmer and truck gardener. The income from the market, which includes the receipts from rentals and charges for weighing on public scales, exceeds the yearly cost of maintaining the market. In 1908 the profit was \$1361.31; 1909, \$1280.10; 1910, \$1330.20; 1911, \$1063.75; 1912, \$1444.74; and it will exceed \$2000 in 1913. This does not take into account the cost of the erection of the canopy above mentioned, which was approximately \$3500.

Only farmers and truck gardeners are permitted to sell at the market. This regulation is strictly enforced. The problem with the Milwaukee market is to encourage the consumer to patronize it. Up to two years ago it was practically a wholesale market. Hucksters, who disposed of their goods from door to door, and grocers patronized it mainly. At that time a very small percentage of the goods was sold directly to the consumer. Through the efforts of those interested in the market and the publicity given it by the press,

the percentage of the goods sold to the customer has greatly increased and is continuing to increase. On a certain Saturday during August by actual count 3246 consumers visited the market, 360 of whom were men. On that day 249 loads of produce were brought to the market. There are in all 178 stands. All of these are rented by the year and are occupied with the exception of a row facing an alley, which is rented by the day and reserved for wholesale trade.

The market is under the supervision of the sealer of weights and measures and in direct charge of the market master. The present incumbent of the sealer's office has had wide experience in the commission business. No qualifications are required for the market master in the ordinance governing the market. He holds office for three years and receives a salary of \$900.

It is difficult to determine the effect of the market on the general prices throughout the city of those commodities which are offered at the market. The city is large, and the market reaches but a small proportion of its population. With the increasing popularity of the market, however, grocers are beginning to object to the activities by the sealer. This may be taken as an indication.

Last fall a curb market was established on the south side of the city in a densely populated district at the intersection of certain important streets that lead into the outlying country. It was this spring and gives promise of future growth.

Milwaukee is favorably situated for the further development of the market idea. The outlying district is admirably adapted to the raising of garden produce. Truck gardeners maintain their farms close to the limits of the city. The city itself is rather compact and covers a comparatively small area. Truck gardeners and farmers, therefore, find it profitable to bring their produce to town by wagon and to dispose of it directly to the middleman or consumer. Very little of the common garden produce is brought into the city by rail. On the other hand, a large percentage of the population of Milwaukee is of foreign birth or parentage. The Germans and Poles are strongly represented and readily take to direct marketing.

What municipal market policy Milwaukee shall pursue is a mooted question. Two plans are advocated, one to develop the present central market by the purchase of adjoining property, the other, to establish smaller neighborhood or even curb markets on public areas in heavily populated districts.

## VI. MUNICIPAL MARKETS IN PHILADELPHIA

BY ACHSAH LIPPINCOTT,

Clerk of Markets, Philadelphia.

Municipal markets in Philadelphia are not new. In colonial days Philadelphia was distinguished for its long rows of market buildings and for the general excellence of its marketing facilities. As early as 1683 there was a city market house, and in 1736 records show that councils endeavored to get control of the ferries in order to bring the products of Jersey to the Philadelphia markets.

At that time the principal markets were on High Street, now called Market Street, in the vicinity of the Court House. In a poetic description of High Street, written in 1729, the Court House and adjoining markets are thus described:

Through the arch'd dome and on each side, the street  
Divided runs, remote again to meet.  
Here, eastward, stand the traps for obloquy  
And petty crimes—stocks, posts and pillory.  
And twice a week, beyond, light stalls are set,  
Loaded with fruits and flowers and Jersey's meat.  
Westward, conjoin, the shambles grace the court,  
Brick piles their long extended roof support.  
Oft, west from these the country wains are seen  
To crowd each hand and leave a breadth between.

None of these buildings is standing today.

Unfortunately Philadelphia's once well developed market system, like that in other American cities, has not kept pace with the development of modern industries. The world has progressed with discoveries of all sorts to benefit the human race and much has been done in the physical upbuilding of cities in many respects but the local marketing and distributing facilities seem to have been overlooked.

Little or no effort has been made to solve the problems of distribution in such a way as to encourage the farmers in the outlying agricultural districts to accommodate their productions to the needs of the local market nor indeed even to ship their produce to city markets.



The efficient distribution of Philadelphia's food supply is a tremendous problem which is just beginning to receive its due attention. Director Morris L. Cooke, of the Department of Public Works, is giving the matter his serious thought. He has recently appointed a clerk of markets in the bureau of city property who has the supervision of existing markets; of the location of new curbstone and municipal markets, and who is to make inquiry into possible steam, trolley and motor boat development that will tend to expedite and cheapen the distribution of foodstuffs.

Philadelphia's most powerful agents of local distribution, namely trolley freight, good roads, motor trucks and motor boats, are to be more thoroughly developed. What is most needed is some means by which the farmers within a radius of fifty miles can get their goods to the city markets as quickly and cheaply as possible. The farmer's time is valuable and if it is necessary for him to take two or three days of every week to market his goods, can we blame him for selling to the wholesale buyer in order to save time? Just this state of affairs is what makes the city consumer pay such high prices for foodstuffs.

When Philadelphia has a waterfront terminal market and trolley freight depots at the municipal markets, then it will be possible to see the advantages of direct marketing.

The two municipal markets at North and South Second Street are financially successful. The receipts for 1913 from the five hundred stalls rented up to September first, were \$17,078.25. However the success of municipal markets must not be reckoned in terms of profit, but rather in terms of the number of bona fide farmers and consumers frequenting them.

Both farmers and professional retailers are to be found in Philadelphia's markets. Unfortunately most of the farmers frequenting the markets sell only at wholesale and have left the market before the consumer arrives there. Again the question of time enters into the matter—the farmer is not willing to take the time to retail the large quantities of his goods in the height of the seasons.

This fact emphasizes the necessity of having well organized, wholesale municipal markets. There should be a large wholesale market to which the farmer could ship his produce directly. If the farmer is assured of a steady demand and of a reliable market for his products he will raise more and be able to sell at more reasonable rates. But in selling directly to the consumer the farmer must pay

more attention to the quality and standard of his goods. The sorting and repacking of goods are among the expensive services rendered by the middleman, which can be dispensed with. The service of a large municipal market, such as Philadelphia should have, is to eliminate unnecessary handling and to make a direct communication between the producer and the consumer, thus reducing the cost to the consumer.

In order to encourage reliable farmers to frequent the municipal markets, a concession is made to them in that they are not required to pay more than twenty dollars per year rent for stalls in the markets. If they are not bona fide farmers they must procure venders' licenses and be subject to mercantile appraisalment. Further concessions should be made, and, most important of all, bulletins should be issued which would keep the producers posted on city market prices. It is the present plan to work up such a bulletin for the guidance of the farmers.

There are three phases in the logical development of a market: first, the curbstone market; second, the open shed; and third, the modern enclosed market house. Strange as it may seem, Philadelphia's municipal markets are in the second phase—namely open sheds. The North and South Second Street markets are all that remain to us of Philadelphia's once well-developed market system. These markets were built in 1785 and 1745 respectively, and, with the exception of the addition of sheet iron roofs, cement floors and the systematizing of the numbering of the stalls, they stand as they were built. Plans are under way for the general improvement of these markets along the lines of water supply, drainage and other conveniences.

It would be practically an easy task for Philadelphia to establish new municipal markets in different sections of the city, but the vital question is, can we, in this day of the telephone and the corner grocery store, bring back the old custom of marketing? Since the corner grocer has come to stay, as he undoubtedly has in some sections of the city, it would seem that the city's next step should be to facilitate wholesale buying and distribution. Foreign cities have proved the advisability of such a system. Let Philadelphia be the first American city to adopt the improved market system, and to develop to the fullest extent the powerful agencies of local distribution at its immediate disposal.

## VII. THE ROCHESTER PUBLIC MARKET

By W. W. MERRILL,

Market Master, Rochester, N. Y.

The Rochester Public Market is both wholesale and retail, but nearly all sales whether to consumers or otherwise are in wholesale quantities. Perishable goods are sold daily, but most of the trading is done on the three market days, Tuesday, Thursday and Saturday. Stalls are rented at \$40 a year, and this carries with it the right to sell anywhere on the streets of the city. Stalls are rented also by the week for \$1.50, and by the day for 25 cents, but at present this gives no license to sell away from the market. State regulations as to adulteration, misbranding, weights, measures, food deterioration, sanitary conditions, etc., govern the market and there are policemen and city sealers constantly in attendance to enforce them.

About as many hucksters rent stalls by the year as farmers, but on market days there are always many more of the latter, who take their stalls by the day or week. In all there is room for 1,200 wagons. Farmers and hucksters are allotted space in distinct sections of the market. This is in accordance with the farmer's wishes and encourages him to come here. As a rule he can dispose of his produce more advantageously in the market than outside, and needs no further inducement, but as has been said, he is not permitted to sell outside unless he rents his stall by the year. This, of course, prevents much direct marketing off the market.

All officials and employees are under civil service rules. The former consist of the market master and his assistant. No publications are issued, but reports of conditions and prices appear in all the newspapers daily. Prices are influenced to some extent by the prices in other markets, especially New York, but are determined mostly by local conditions and the law of supply and demand.

There is nothing peculiar about the working of producer's and consumer's prices here. The former tries to get as much as he can, and the latter to pay as little. On the whole the former has benefited by the market, and it is probably true that, without the facilities afforded by the market for sale and distribution, the consumer would be paying considerably more. All our foodstuffs are of high quality.

There is too much competition for it to be otherwise. Practically everything brought in is perishable and must be sold quickly. The market has induced many in the immediate vicinity to turn their land to raising produce, but the percentage of increase in the output is not large, for this entire section is largely devoted to gardening and has been for over fifty years. No particular adaptation of produce to the city's needs was necessary, for every kind of vegetable and fruit suited to this climate is raised within ten miles of us.

Because the market is partly wholesale, business must be done too early in the morning for the patronage of the average housewife. Those living in the vicinity, however, come here regularly, and others come whenever their purchases are to be large enough to make their saving material. In a city of this size it is impossible to have the market immediately accessible for everybody, but the situation has been met as best it can be, with the result that our attendance is several thousand daily.

## A QUESTIONNAIRE ON MARKETS

BY JOHN W. FARLEY,

Chairman of Committee on Investigation of Municipal Markets,  
Memphis, Tenn.

Memphis is superior to other cities for assembling raw material for manufacturing and equal in facilities for distributing manufactured products. These advantages and facilities, however, are secondary to labor. If this city is to compete with manufacturers in other cities, the cost of labor must be reduced to a minimum.

The best development of Memphis, as of any city, is also dependent upon increasing the prosperity of the surrounding agricultural communities, thereby increasing their purchasing power. With our already excellent system of good roads, producers could easily reach the proper market place if wise facilities and regulations were established.

The question was raised whether both these ends could not be furthered through municipal markets. To study this question a special committee was appointed by the Commission Government of Memphis.<sup>1</sup> In order to get together the facts as to the results obtained by markets in other cities, and as to the proper regulations and facilities for such markets, should Memphis decide to adopt a market policy, the following questions were sent to the dozen cities indicated. These questions and their answers are submitted here for the use of administrative officials who may have similar queries in other cities, and for their value to all students of the market problem.

<sup>1</sup> The other members of the committee are: Charles E. Brower and John L. Parham. Because of its exceptional value to those interested in furthering or developing markets, those pages of this committee's report dealing with the answers to the questions sent out by them are reprinted here. It is regretted that the entire report cannot be published. The part published here is, the editors believe, of significant value to all who have practical market problems to solve, and to all students of direct marketing.—THE EDITOR.

*1. Name of city and population and name of official giving information.*

Baltimore, Md.: population 558,489; Jas. H. Thrift, comptroller.

Cincinnati, Ohio: population, 540,000; Theo. Braken, superintendent public lands and buildings.

New Orleans, La.: population, 360,000; Alex. Pujol, commissioner of public buildings.

San Antonio, Texas: population, 105,000; J. H. Parker, city market master.

Seattle, Wash.: population, 254,000; J. E. Crichton, commissioner of health.

Norfolk, Va.: population, 81,524; Wm. Hanna, chairman board of control.

Boston, Mass.: population, 675,000; Geo. E. McKay, superintendent of markets.

Montreal, Canada: population, 600,000; J. E. A. Biron, superintendent of markets.

Rochester, N.Y.: population, 235,000; Edwin A. Fisher, city engineer.

Indianapolis, Ind.: population, 275,000; Jno. B. Wood, secretary board of public safety.

Columbus, Ohio: population, 200,000; Chas. E. Reinhard, superintendent of markets.

Dubuque, Ia.: population, 40,000; F. A. Gniffke, ex-city treasurer.

*2. How long has your market been established?*

Baltimore: Established before incorporation of city. Ground bought in 1804; stalls rented by the year in 1811. Cincinnati: 1850. New Orleans: As old as the city. San Antonio: 12 years present market, but have had a city market 150 years. Seattle: 5 years. Norfolk: Present location a little over 20 years; prior to that a market was established many years ago on large public square leading to ferry connecting this city with the city of Portsmouth, maintained for many years. Boston: Two buildings separated by a street eighty feet wide; both buildings known as Faneuil Hall Markets; smaller building erected in 1742, gift from Peter Faneuil. In 1826, the larger building known as Quincy Market was opened. The smaller closed and not reopened until 1857, when more room was necessary. Montreal: At present there are five meat and provision markets, one of which is known as the Bonsecours Market, established in 1815. Rochester: Since June 1, 1905. Indianapolis: Since beginning of city. Columbus: 62 years. Dubuque: Between 75 and 80 years. The time of its beginning is rather indefinite.

*3. Does the city own or lease the market places?*

Markets are municipally owned in all these cities.

*4. How many market places in your city?*

Baltimore: 11 retail and 1 wholesale fish and 1 wholesale produce. Cincinnati: Four. New Orleans: Thirty-three. San Antonio: One general mar-

ket place. Seattle: Two. Norfolk: One controlled by the city. Boston: One public market place and perhaps 2,000 places where meats and provisions are sold. Montreal: Five meat and provision markets as well as one hay and two cattle markets. Rochester: One. Indianapolis: One. Columbus: Four. Dubuque: One.

*5. How is the market controlled?*

Baltimore: By the city comptroller, power vested in him by the ordinances of the mayor and city council, giving him right to collect rents and licenses. Cincinnati: Superintendent, chief market master, assistant market masters and watchmen. New Orleans: Inspectors. San Antonio: Market master under mayor. Seattle: Department of health and sanitation. Norfolk: Superintendent of markets under rules and regulations prescribed by the board of control. Boston: Ordinance. Rochester: Market commission. Indianapolis: City ordinance and under the board of public safety. Columbus: Director of public service and superintendent of markets. Dubuque: Market master who receives \$65 a month.

*6. What is the value of the property used for the market?*

Baltimore: All the markets over \$1,000,000. New Orleans: Hard to approximate. San Antonio: \$100,000. Seattle: Value not given. Norfolk: Land and buildings \$358,000. Boston: For taxable purposes and establishing rents, \$1,800,000. Montreal: \$570,000. Rochester: \$191,000. Indianapolis: About \$1,000,000. Columbus: About \$300,000. Dubuque: About \$10,000.

*7. What is the cost of operation?*

Baltimore: About \$20,000, exclusive of repairs. Cincinnati: About \$12,000, but we get this back and make some more from the licenses. New Orleans: \$9,000 per year. San Antonio: About \$600 per month. Seattle: \$265 per month. Norfolk: \$2,920 per year. Boston: About \$12,000, not including repairs. Montreal: Cost of operation, including repairs will amount this year (1912) to \$35,665. Rochester: For the year 1911, \$5,172.01. Indianapolis: About \$15,000 yearly. Revenue about \$35,000. Columbus: About \$21,000. Dubuque: Practically nothing. While the market master draws a salary, he serves as janitor of City Hall, one of the city's weighmasters and city jailer. The fees from stand owners pay for cleaning up after market hours.

*8. What are the sources of revenue by which the market is supported?*

Baltimore: Per diem receipts, rentals and licenses, varying according to the markets. Cincinnati: Licenses from people having stands in the markets. New Orleans: Daily fees from stall keepers for use of stalls. San Antonio: Rents in market building and rents from plazas (two squares) on outside, also fees for inspection of animals slaughtered. Seattle: 10 cents a day for stalls or tables. Norfolk: Rents collected for stalls and spaces. For year ending June 30, 1912, total of rent \$17,129.55. Boston: Rentals. Montreal: Rents

total for 1911, \$66,556.57. Rochester: Leasing of the stands. Indianapolis: Leasing of stands. Columbus: Rental of stalls and stands, and hall rent in market houses. Dubuque: The only revenue is the fee for the stands, total of about \$430.

9. *Do you have a building with stalls?*

Baltimore: All are covered and have stalls. Cincinnati: We have 4 buildings with stalls, also outside market. New Orleans: Yes. San Antonio: Yes. Seattle: Yes. Norfolk: Yes. Boston: Yes. Montreal: Each of the markets is provided with inside butcher's stalls, and outside stalls around same occupied by fruit and vegetable traders only. Rochester: 228 stalls are covered with a roof. Indianapolis: Yes. Columbus: Yes. Dubuque: Yes, but abandoned it for this use 30 years or more ago.

10. *If so, to whom are they rented, i. e., are they rented to producers or to persons who are simply merchants?*

Baltimore: Both. Cincinnati: Inside are butchers, cheese and butter men; outside all kinds of venders. New Orleans: Small merchants. San Antonio: Merchants and butchers. Seattle: To those who have a right under city and state laws to sell. Norfolk: Not to producers to any extent, chiefly to merchants or hucksters. Boston: Rented to merchants. Montreal: Parties known as traders only. Rochester: Rented to producers and hucksters. Indianapolis: Both. Columbus: Producers and dealers in meats, fruits and vegetables. Dubuque: Mostly to producers, a few to simply merchants.

11. *What is the average number of stalls rented?*

Baltimore: About 5,500 stalls. Cincinnati: All the market house stalls are rented always. New Orleans: Approximately 700. San Antonio: Inside 40; outside 75. Seattle: 200 at the most, usually 125 to 135. Norfolk: Stalls in butchers' market are much in demand and seldom vacant; in vegetable market 144 stalls and average number rented is 130. Boston: 132 stalls in the larger market and 44 basements, all occupied by tenants on a ten-year lease. Montreal: The number of stalls depends entirely on size of each market. Rochester: All—about 600. Indianapolis: About 675 inside; about 300 outside. Columbus: 690 stands and stalls. Dubuque: By the city about 50. In addition to this by private property owners on busy days (curbstone space) probably 500.

12. *What is the average number of wagons in the market from which produce is sold on market days?*

Baltimore: Perhaps 1,500. New Orleans: Vary greatly. San Antonio: About 75. Norfolk: On Saturdays 60 to 75; on other days varying from 1 or 2 up to 25. Boston: 300 to 450 wagon loads busy days; on almost any day duller part of year from 75 to 150 loads. Montreal: As high as 1,500 in one



market day at Bonsecours Market (the most extensive). Rochester: Busy season (peach) 1,200 loads every day; average 300 per day. Indianapolis: Average 150. Columbus: About 300, average 100. Dubuque: From 30 to possibly 600.

*13. Are producers permitted to sell from wagons in the market? If so, on what terms?*

Baltimore: Yes. Spaces rented for \$5 annually. Cincinnati: No. Unless they have a license, then they have to unhitch and stable their horses. San Antonio: 10 cents per day or \$2.50 per month. Seattle: No. Norfolk: Yes. They are required to pay 10 cents per day for single wagon; 15 cents for double. Boston: Producers sell wholly from their wagons. Montreal: Producers have only the right to sell from wagons at public market. Market fees on each are inserted in Article V, Section 48. By-Law No. 296, concerning markets. Rochester: Yes. Without extra payment. Indianapolis: No. Only outside. Columbus: No. Dubuque: All is practically sold from wagons by producers. No restrictions except payment of fee for occupying curbstone space and the universal rule that his wares must be wholesome, sanitary and come up to his representations and of legal weight and measure.

*14. What is the average number of miles producers haul their produce to sell it in the market?*

Baltimore: 8 to 10 miles. Cincinnati: About 15. New Orleans: 5 miles. San Antonio: About 6. Most of products are from gardens close in. Seattle: 7½ miles. Norfolk: Approximately 12 miles. Boston: There are on our roll some 1,200 farmers; some come only once or twice a year, others for two or three weeks. Many come for certain days in the week for six or seven months in year. Montreal: Between 8 and 25 miles. Rochester: 5 to 6. Indianapolis: 5 or 10. Columbus: About 25 miles. Dubuque: Some come 40 miles. Probably 15 might be fair average.

*15. What do they do with the produce remaining unsold when the market closes for the day?*

Baltimore: Take it back home or sell or give to the poor. Cincinnati: Sell to commission houses near market. New Orleans: Just enough is brought by each wagon as experience shows will be sold. San Antonio: Perishables are placed in refrigerators. Seattle: Taken back to their gardens outside city limits. Norfolk: If any considerable quantity, it is sold to commission houses. Boston: The farmers usually come from radius of 30 miles; occupy space in streets around market and adjoining streets when necessary; no charge is made for this; they remain all day and over night into following day if necessary to dispose of their produce; if necessary to go home before they dispose of everything, they leave it with commission merchants to dispose of. Montreal: Produce remaining unsold is taken back home. Rochester: Take it home or peddle it in the streets. Indianapolis: Sell it to commission men. Colum-

bus: Take it home or sell it to some grocer. Dubuque: Keep reducing the price for bargain hunters. The commission houses and shippers and grocers usually take the surplus. The city absorbs nearly all.

16. *Are the articles offered for sale inspected before sale by an official of the city?*

Baltimore: Health department inspectors visit daily. Cincinnati: No. New Orleans: Yes. San Antonio: Yes. By meat inspectors and market master. Norfolk: Food inspector is always on duty to attend inspection of food products. Boston: The superintendent of markets and officials under him supervise all produce offered for sale and nothing allowed to be sold which is unfit for food. Montreal: No. But if found by the clerks of market during sale, unfit for consumption, or if attention is called by consumers, produce is immediately seized. Rochester: Yes. Indianapolis: Yes. By Board of Health officers. Columbus: Yes. Dubuque: Market master, police, state food inspectors are at all times, often in unexpected quarters, looking for violations of pure food laws. Convictions speedy, fines heavy.

17. *What is the approximate value of produce sold on an average market day?*

Baltimore: Hard to estimate; 50,000 people visit Lexington Market on Saturdays. Cincinnati: No way of telling. New Orleans: Impossible to say. San Antonio: About \$1,400. Seattle: Do not know. Norfolk: Impossible to answer. Boston: Unable to say. Montreal: Approximate value of produce in each wagon estimated between \$35 and \$40. Rochester: Cannot say. Indianapolis: About \$20,000. Columbus: About \$20,000. Dubuque: Extremes would vary between \$150 and \$8,000. The latter may be too low.

18. *What is the average number of people who buy in the market on market days?*

Baltimore: About 50,000 visit the markets. At least 25,000 buy. Cincinnati: 25,000 on ordinary days; 60,000 Saturday. New Orleans: Impossible to say. San Antonio: About 500. Seattle: Many thousands. Norfolk: On Saturdays probably 7,000 or 8,000. Boston: No means of knowing but would be reckoned by thousands. Montreal: Two classes of buyers, consumers purchasing at retail and proprietors of butcher stalls and grocers purchasing wholesale. Calculated by hundreds. Rochester: It is a wholesale market but about 300 people per day buy in the market. Indianapolis: On Saturdays it is always packed the whole day. Columbus: About 20,000. Dubuque: Impossible to approximate. Probably 3,500.

19. *What classes of people buy in the market?*

With the exception of Cincinnati and San Antonio the markets are frequented by all classes. In those cities the working class especially uses the market.

20. *What is the attitude of the general consuming public towards the market?*

Baltimore: Decidedly favorable. Cincinnati: A great benefit. New Orleans: Favorable. San Antonio: Favorable. Seattle: Very favorable. Norfolk: Very favorable. Boston: Generally very favorable. Montreal: Generally speaking, the public appreciate the markets, for their advantage is found in variety of produce offered for sale as well as in cost of same, which is less than what is asked for in shops, stores, etc., outside of the public markets. Rochester: Take very little interest in it. Indianapolis: Approval and favor. Columbus: Favorable. Dubuque: Great loyalty.

21. *Is the use of the market by the consumer increasing or decreasing?*

Baltimore: Bad weather is to blame for any decrease. Cincinnati: Difficult to find out. New Orleans: Stand-still. San Antonio: Increasing. Seattle: About stationary. Has brought about better conditions among groceries in city. Norfolk: Gradually increasing. Boston: Normal. Some retail trade scattered by reason of residents moving from market districts to remote sections of city and suburbs where they obtain supplies from local dealers, who by use of order carts and telephone can be supplied immediately no matter how small the order. Montreal: Population increasing and buyers increasing proportionally. Rochester, Indianapolis, Columbus, Dubuque: Increasing.

22. *What effect does the market have on the general scale of prices of food in your city in the way of reducing prices?*

Baltimore: Scale of prices is somewhat lower in the markets. Cincinnati: Reduces cost to people that pay cash but has no effect on credit buyers. New Orleans: Difference of opinion on that subject. San Antonio: Reduces prices as producer and consumer meet in the market. Seattle: Tendency to reduce prices in everything except meat. Norfolk: Prevents raising of prices by grocery stores by facilitating operation of the general law of supply and demand. Boston: Cannot say that it has any unless consumer buy from producer by the box or barrel. Nothing sold in market but best grades of meats and provisions, and price of this quality is cheaper than in local markets. Montreal: Buyers generally pay less at markets than in shops, stores, etc. Rochester: No appreciable effect. Indianapolis: Can be bought cheaper and fresher at market. Columbus: It keeps grocers and other dealers in produce and fruits in check from taking advantage and boosting prices. Dubuque: Keeps prices down very materially.

23. *Is the producer using the market to sell his produce more or less than formerly?*

Baltimore: More. Cincinnati: More volume of business but might be due to increased population. New Orleans: Producers sell to stall keepers

largely. San Antonio: More. Seattle: More. Norfolk: Slightly more than formerly. Boston: Number of producers not materially changed. Montreal: There are no other ways for producers to sell their produce on the markets; they may, however, consign to commission merchants. Rochester: More. Indianapolis: More. Columbus: Some less. Dubuque: More.

*24. Do you consider the market a very potent factor in keeping down the cost of living in your city?*

Baltimore: Yes. Cincinnati: Yes. New Orleans: No. San Antonio: Somewhat. Seattle: It undoubtedly assists in lowering cost of living. Our markets are not large enough to have a very appreciable effect. Norfolk: Yes. Boston: See answer to 22. Montreal: Yes, by fact that the producer can offer his produce for sale direct to consumer, avoiding then every possible understanding which may exist between merchants respecting sale prices. Rochester: No. Indianapolis: Yes. Columbus: Yes. Dubuque: It undoubtedly is.

*25. What is the average distance people will walk to buy in the market?*

Baltimore: They don't have to do much walking; trolley cars pass each of the 11 markets and the 11 markets are scattered about city, serving all sections. Cincinnati: All car lines transfer to market and people will come at least 1 mile on foot to market. San Antonio: About 6 blocks. Seattle: Not more than a half mile. This is a very hilly city and the nickel is our smallest money. Norfolk: Market is centrally located and people come from all parts of city, and even from outside city limits to deal in the market. Boston: Unable to say as our people are inclined to use public conveyances, all of which come close to market district. Montreal: The markets being scattered about the city, the distance to walk to reach them is slight. Rochester:  $1\frac{1}{2}$  miles. Indianapolis: All over the city. Columbus: Markets can be reached by street cars but some will walk from 7 to 10 blocks. Dubuque: Compactly built city. More people to the square mile than any other city in the state. Nineteen blocks at farthest will take you among the producers.

*26. How many people depend on the market for supplying their daily needs?*

Baltimore: See answers to 17 and 18. More people on Saturday than other days. Groceries are not sold in markets, so the public must always depend on grocers. Cincinnati: No way of telling. New Orleans: Almost the population. San Antonio: Probably 3,000. Seattle: Impossible to state. Norfolk: Difficult to estimate; probably 10,000. Boston: Have no means of knowing; a large number. Montreal: About half of population. Rochester: Wholesale market about 300. Indianapolis: Very few families in our city who do not attend market at least one day in the week. Columbus: 75,000. Dubuque: Practically entire city. The grocers keep vegetables but they must meet

gardeners' and farmers' competition because they must buy in the same market and sell at same prices. Their profits come from buying larger quantities and giving their merchandise in barter for farm products.

*27. Is the number decreasing or increasing?*

Baltimore, Cincinnati, San Antonio, Norfolk, Montreal, Rochester, Indianapolis, Columbus and Dubuque: Increasing. Seattle and Boston: Normal.

*28. How far is your principal market place from the center of the business district?*

Baltimore: We have 11 markets; one, Lexington Market, is in heart of city shopping district. Cincinnati: Four squares. San Antonio:  $\frac{1}{2}$  mile. Seattle: Three blocks. Norfolk: It is in the center. Boston: In center of business district, surrounded by provision stores for radius of  $\frac{3}{4}$  mile. Montreal: Principal market, Bonsecours Market, is situated in center of business district. Rochester:  $1\frac{1}{2}$  miles. Indianapolis: Within 2 blocks and directly opposite County Court House. Columbus: 2 blocks. Dubuque: Between 3 and 6 blocks.

*29. What is the attitude of the commission merchant toward the retail market?*

Baltimore: Of course the commission merchant for his own selfish interests would do away with anything that interferes with his profits but our markets were established before the commission merchant opened up his business. Cincinnati: They have stands in it and use it as an outlet for their perishable goods. New Orleans: Favorable. San Antonio: Friendly. Seattle: No outward evidence of antagonism at this time. It must injure their business, however. Norfolk: Favorable to the market. Boston: Favorable. Montreal: They are in no way connected with markets. Rochester: Very friendly. Indianapolis: Does not meet with their approval. Columbus: Very amicable. Dubuque: Suppressed hostility. They view it as an evil that must be endured. It gives them a good place to buy for outside orders.

*30. What is the attitude of the huckster toward the market?*

Baltimore: See 29. Cincinnati: Same as commission merchants. New Orleans: Unfavorable. San Antonio: Friendly, as they do most of their buying at market. Seattle: Rather antagonistic. Norfolk: The renter of vegetable market stalls is called a huckster. Your question probably refers to what we call a peddler, *i. e.*, a man who buys his goods from commission houses and peddles them through the streets. Of course, the latter is opposed to the market. Boston: Favorable as at a time of a surplus of provisions he purchases at low prices which enables him to dispose of same at a profit. Montreal: Their only business connection with the market consists of buying their necessary supplies which they subsequently sell throughout the city. Rochester:

Unfriendly. Indianapolis: Favorable. Columbus: The country huckster is the one that stands on the market and the city huckster is not very favorable to the market. Dubuque: It is his paradise. He has his stands here.

*31. Is the huckster permitted to peddle during the hours the market is open?*

Baltimore: Not within prescribed limits. Cincinnati: Not in the market unless he has a license and then he must unhitch his horses and remain in one place. San Antonio: Not within 6 blocks. Seattle: Yes. Norfolk: Peddler is probably intended here. The peddler is not restricted as to hours. Boston: He is permitted to sell anywhere in the city if he has a license (except in the market limits). No person is permitted to occupy space allotted to the farmers unless he is a producer. Montreal: Yes. Rochester: Any time after 8 a.m. Indianapolis: Yes. Columbus: The huckster is permitted to sell his produce at a stand on the market providing he pays stand rent. Dubuque: Yes, he is, but the peddling huckster is an almost unknown person in Dubuque.

*32. What is the attitude of the corner grocer towards the market?*

Baltimore: See 29. Cincinnati: They all market every day. New Orleans: Hostile. San Antonio: Friendly. Seattle: They seem to believe it is an infringement on their business prerogative. Boston: The same as would be toward any one carrying on business in competition. Montreal: They buy at the markets all the farm produce they require for the necessary supply to their customers. Rochester: Not very friendly. Indianapolis: Decidedly against it. Columbus: Not very favorable. Dubuque: The grocer looks on it as a great wrong to the business man who has rent to pay, etc.

*33. What are the principal criticisms of your market and by whom made?*

Baltimore: Perhaps the necessity of providing new building and general improvements desired by the public and the market people. Cincinnati: Some people that own property in place dedicated to market purposes do not like the noise. Some venders do not like to pay license. New Orleans: Political. San Antonio: Do not know of any unfriendly criticisms as market has been in operation 150 years. Seattle: That it is not really a cheaper place in which to buy produce; that the men selling take undue advantage of purchaser, and in the rush work off less wholesome food. Norfolk: The vegetable market is a frame building, and there is a general feeling that a building of better construction should be provided. Boston: So far as its size is concerned, opinion of persons visiting from other states, foreign countries and people of our own city, is that it is the best conducted market they have ever seen. Montreal: The only inconvenience the public have to complain of concerning the principal market, which is the Bonsecours market, is that the space reserved for the farmers and the public as well, is too exiguous. Rochester: By grocers, because market gardeners sell at retail. Indianapolis: Only from those under-sold.

Columbus: When they get short weight or measure or when they buy goods that are represented as first class and prove not to be so. Dubuque: There are no criticisms. This is a broad statement but true. Grocers and commission men have a grievance but no criticism.

*34. Is there a general cold storage plant operated in connection with the market?*

Baltimore, Cincinnati, San Antonio, Seattle, Norfolk, Rochester, Dubuque, Columbus: No plant. New Orleans: In one market, yes. Boston: We are supplied with brine cold storage which is conducted through pipes to the market from a building about an eighth of a mile distant. Montreal: Refrigerating system is now in course of installation for the use of all the tenants of the Bonsecours Market. Indianapolis: In the meat market, yes.

*35. Would you advise the establishment of one?*

Baltimore: Have never considered it. Would never advocate it under control of municipality as this should be a private rather than a public enterprise and to establish one here would be in competition with existing corporations. Cincinnati: Certainly do. New Orleans: Yes. San Antonio: Yes. Seattle: It would depend on the financial status of the city, the wholesomeness of goods sold in the grocery stores, and the profits groccerymen are making. Norfolk: Yes. Boston: Yes. Montreal: Yes. Rochester: Yes. Indianapolis: We know it is a success and if closed would raise a great howl. Columbus: Yes. Dubuque: Yes, wherever possible.

*36. What are the best features about your market from the consumer's standpoint?*

Baltimore: Fresh goods, low prices. Cincinnati: Fresh goods and cheaper but cash prices. New Orleans: That best food is obtained at a minimum. San Antonio: Consumer meets producer and has a good market to select from. Seattle: Nearness to business center and to big truck gardens. The control over food products by law by health department. Norfolk: It regulates the prices charged by stores. Rochester: It furnishes an opportunity for the producers to bring their produce to one place and deal with the consumer either directly or through grocers. Columbus: The consumer's standpoint is that he has a larger and greater variety to select from. Dubuque: The consumer and producer have a free and unrestricted market to buy and sell.

*37. What are the best features about your market from the producer's standpoint?*

Baltimore: Quick sales, ready money. Cincinnati: Sells more at a smaller price but gets cash. San Antonio: Producer meets consumer with resulting elimination of middleman. Seattle: Nearness to business center and big truck

gardens. Norfolk: It is of great assistance to him in disposing of his produce. Montreal: See 36. Rochester: See 36. Columbus: From the producer's standpoint, he gets a better price than he would receive from the grocer or commission merchant as the middleman's profit is divided between consumer and producer. Dubuque: See 36.

38. *If you were establishing a market in your city, what are some of the most important features you would incorporate into it?*

Baltimore: We would seriously consider the question of open or closed market. Cincinnati: Have the space clearly defined; the class of people allowed to peddle free of charge, defined; collect rents in advance; pick a wide street so there would be no blocking of traffic; see that it is kept in a sanitary condition. New Orleans: Cold storage plant thoroughly screened—cleanliness—with small daily fees to be dedicated to repairs of markets. San Antonio: Cleanliness, plenty of room, cheap rents, and conducted so as to be just self-sustaining. Seattle: Nearness to the greatest number of people; proper sanitary arrangements of stalls, buildings; properly paved and drained streets; properly lighted, with unusual abundance of water for all purposes and a proper ordinance giving authority for control and to make rules and regulations. Norfolk: The system as it has existed in Norfolk has proven very satisfactory, but the butchers' market should be equipped with cold storage plant. Boston: Should construct it on same plan, give more space to each stall and provide cold storage in the building to supply each tenant; would enforce the regulations to the letter and spirit; allow no influential dealer to have the ear of some person on the board of management; would select as superintendent a person known to be thoroughly competent for the position; pay him a salary sufficient to justify him in having no friends to whom he might show favoritism, and if making a ruling in accordance with the regulations support him in carrying out such ruling no matter who might feel aggrieved. Rochester: No reason for any change from the present market. Dubuque: Our market practically is unrestricted. Three-quarters of a century of training of producers, sellers and buyers have made it self-regulating, almost automatic in its machinery.

39. *What proportion of the produce sold in the market is raised within 25 miles of the market place?*

Baltimore: Perhaps all, except choice and early fruits and vegetables shipped to the city in refrigerator cars from California and the South. Cincinnati: Except meats, perishable stuffs as oranges, etc., all of it is raised within 25 miles of Cincinnati. New Orleans: All of it, if you include cows slaughtered in the city. San Antonio: Almost the entire amount. Seattle: All excepting peaches, some of the apples and potatoes. Norfolk: About 50 per cent. Boston: The larger part of the produce brought daily by farmers comes within a radius of 30 miles; but large quantities are received by railroads and boats from the South, West and foreign countries. It is claimed that 95 per



cent of the dressed meat coming to Boston comes from the West. Montreal: Cabbages, turnips and carrots, about 45 per cent; poultry, potatoes, etc., about 33 per cent. Rochester: Nine-tenths. Columbus: About three-quarters of the produce, vegetables and poultry. Dubuque: probably 95 per cent.

*40. If you were establishing a market in your city what are some of the most important features you would avoid?*

Baltimore: The present antiquated structures; the present system of revenue. New Orleans: Dirt and flies. San Antonio: Mid-day closing. Market should be open from 5 p.m. until 7.30 p.m. High rents avoid having anything sold in market except meats, fish, oysters, products of the farm, gardens and dairy. Seattle: The sale of anything except that which is grown by the man selling. This cuts out second hand dealers and commission men and keeps the matter substantially in the hands of farmer and truck men. Norfolk: Avoid anything which would in any way interfere with its free use by all citizens desiring to do so. It should be within easy reach of the residence section; should be kept in a cleanly and sanitary condition as not to be objectionable to any one. Montreal: See 33. Columbus: Varying conditions in every locality. Dubuque: Too much regulation, except as to sanitary matters and safeguarding against dishonesty.

*41. What is the attitude towards the market of the truck-raiser and farmer in the territory adjacent to your city? Does he take advantage of the opportunity to sell direct to the consumer?*

Baltimore: Favorable attitude. Takes advantage of opportunity. Cincinnati: He does. New Orleans: Yes. San Antonio: Yes. Seattle: Yes. Norfolk: Favorable, as it gives him an opportunity to compare prices obtainable here with prices he could obtain by shipping his produce to the eastern markets. Not to any considerable extent. Boston: Has the most friendly feeling; very little of his produce is sold direct to the consumer, although he may do so if he desire; he prefers to sell his load and go home for more supplies. Montreal: Yes. Rochester: Yes, all he can. Indianapolis: He can if he wishes. Many do. Columbus: As a general rule, yes. Some sell wholesale as their time is worth more on the farm than the difference in price would amount to. Dubuque: He makes a most extensive use of the market. It safeguards him against combinations of grocers, commission men and extortions of transportation companies, and always gives him an opportunity of getting some "spot" cash.

*42. Has the establishment of a public market in your city encouraged an increase in the production of vegetables and other articles of food in the adjacent territory?*

Baltimore: Our markets were established before incorporation of the city and have grown up with the city. The production of vegetables, etc., is en-

couraged by the markets. Cincinnati: Yes. New Orleans: Not to any great extent. San Antonio: Yes. Seattle: Yes, decidedly so. Norfolk: Possibly it has, but it should be borne in mind that the local market does not take 1 per cent of the truck raised in this vicinity, which is one of the greatest truck raising sections in the country. The soil will produce about 125 barrels of spinach, per acre, and the amount of produce raised is enormous. For instance, one trucker raised 20,000 barrels of potatoes in one season. Boston: There are practically the same number of farmers bringing produce to the market for several years. Montreal: Yes. Rochester: Yes. Columbus: Yes. Dubuque: It has. Not only the city is supplied but much is shipped from here.

43. *Is the number of produce growers in the territory within easy access of your market increasing or decreasing? What is the reason for the increase or decrease?*

Baltimore: Cannot answer with certainty, but do not think decreasing. Cincinnati: Slowly increasing. New Orleans: No marked increase. San Antonio: Increasing. Demand increasing. Seattle: Yes, decidedly so. Norfolk: Increasing but the local market has very little to do with this result for the reason that it takes so small a proportion of what is raised. The reason the number is increasing is the fact that those engaged in truck raising have made a great success owing to the favorable conditions of climate, soil, etc., and it is this success that has attracted others. Boston: See above. Montreal: The decrease in the mentioned territory is due to the fact that the farmers and gardeners, adjacent to the city, have sold their farms to be converted into building lots. Rochester: Increasing on account of increase of population. Columbus: Increasing for the reason that it pays to raise garden truck. Dubuque: It is increasing. The fathers and grandfathers have become *rich* at the business. The descendants naturally take to the profitable business, and quite a few broken-down city men, willing to labor, take to this as a last resort.

# WHOLESALE TERMINAL MARKETS IN GERMANY AND THEIR EFFECT ON FOOD COSTS AND CONSERVATION

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## *Scope of the Markets*

The providing of provisions for the city dweller has always been a matter of great importance in the politic economy of city life. Formerly cities were almost entirely limited to the products of the surrounding country, and when there was a bad harvest in this district, cities were in danger of a shortage of provisions. This danger does not exist any longer, since now, through the very great development of trade and the means of communication in place of production nearby, they can draw upon the world production. Variations in price are of course inevitable even today. The concentration of population in cities in the last decades has greatly increased and makes great demands upon the facilities for supplying provisions. The cities must give so much the greater attention to this question, the greater their population is. Nevertheless the care of the city officials cannot go so far as to undertake themselves the furnishing of provisions or separate branches of this work and become producers or traders. In the measures against the increase in the price of meat that were entered into in Prussia in the last few years, by the cities with the coöperation of the government, this question played an important part, and there was no lack of advocates of the policy of furnishing meat by the city governments themselves. The German "City Day," at which time delegates from the various cities met as representatives of the various German city governments, took the position that the supplying of provisions to the people could not be the task of the cities, and that it was certainly more a matter of trade and business. This point of view seems justified since we might as well require cities to provide any other article that had risen in price, as for instance by building houses or providing clothing or coal or other similar necessities as to enter upon the business of furnishing provisions. Never-

theless without question the cities must provide and find means to secure the supply of provisions in regular ways. The welfare of city populations demands such activities as the supplying of slaughter houses, cattle yards and markets. This is the subject of my article.

### *Legal Regulation of Markets*

Markets in Germany are subject to legal regulation under Tit. IV of the "Reichsgewerbeordnung" which provides essentially as follows:

The use of markets as well as buying and selling in them is open to everyone with equal facilities. Articles of sale at the weekly markets are:

1. Natural products in their raw state with the exception of the larger animals.

2. Manufactured articles which are products in immediate connection of agriculture, forestry, gardening, fruit-raising or fish culture, or as incidental occupations of the country people of the neighborhood or by daily wage-laborers, except intoxicating drinks.

3. Fresh provisions of all sorts.

4. Fees can be demanded only for the room required and the use of booths and tools. No difference can be made in the fees charged residents and strangers. The local police fix in agreement with the local government the market rules in accordance with local requirements and especially fix the place where articles of different sorts are each to be sold.

5. The introduction of weekly markets in Germany requires the permission of the authorities. The place and time for the weekly markets are fixed by the market ordinance. Without the permission of the proper authorities the market cannot be held in any other place than that provided in the market ordinance. This ordinance contains the provisions necessary to enforce quiet and order at the market.

### *Tariff for Fees and Rents*

The stalls are given out daily anew or granted for a longer period, generally upon monthly notice. The cooling rooms, refrigerators and other storage rooms are as a rule granted by the month or the year. They are however as a general thing also to be had by the day. The fees and rents for stands and rooms for a considerable time are generally less than for a shorter use. Very often the tariffs for the stands are graded for other reasons, as for instance according to the position and the furnishing of the stands, according to the article sold, the time of the year and the day of the week.

*Open and Closed Markets*

In most cities the market is held in an open square. The market place in that case is called an "open market" as distinguished from a "closed market" in the market-hall. Generally there are no special provisions and furnishings for open markets. Often the sellers sit under large umbrellas in order to protect themselves and their ware against sun and rain. If special fittings are provided they consist of stands upon which the wares are placed and roofed booths or sheds of wood. Comparatively few cities in Germany have market-halls. In small and medium-sized cities the market is held one, two or more days a week; in the larger cities it occurs daily.

*Producers and Traders*

In the smaller and medium-sized cities the sellers even today still are chiefly producers from the neighborhood; but in the larger cities this is no longer so. Here generally the producers in the neighborhood of the cities cannot keep up with the growth of demand caused by the increase of population, especially as increased building deprives the local producer more and more of his land. As a general thing it does not pay the producers of the less immediate neighborhood to attend the market personally, and so arise middlemen, who buy the products in the country and offer them on the market. Out of this trade of the middlemen little by little a wholesale business has arisen, which has been extended to the entire country and foreign lands, for provisioning the larger cities has become of more and more importance, even an essential factor. Therefore there will be found at the large markets middlemen and wholesalers as well as producers.

The development of wholesale business has favored a specialization in the cultivation of products, so that entire fields, specially suited thereto, by the climate or the nature of the soil are planted with fruit; and there has also occurred a more extensive use of the cultivated land. For this reason Frankfurt a/M. and Schwetzingen are known for their asparagus, Bamberg and Gross-Gerau for their horseradish, places in the Taunus for their strawberries.

*Forwarding Centers*

The markets in the larger cities often provide not only for their own population, but are also forwarding centers for the cities in their

neighborhood whose markets they supply with wares. Such forwarding centers are scattered over all Germany. Here and there the markets have grown to have such an exceptional importance that on account of their position they have become chief storage and exchange places for special articles and send these articles to all parts of the interior. Hamburg is such a center for oversea articles, Munich for wares from south European lands.

### *Market-halls*

It is clear that the open market is little suited to wholesale business. With the umbrellas, stands and booths, the peasant costumes of sellers and buyers, the open market indeed affords in good weather a picture of peculiar charm. Its shortcomings are, however, equally clear. Buyers and sellers are exposed to the weather, their articles suffer from the effects of rain, sun and frost. They must be taken away at night; the dust of the street covers them and is especially unhealthy for such of them as cannot be washed; storage room for any considerable supply is lacking. Upon such a basis a rational provision for the needs of a great city that is dependent on wholesaling cannot develop. For this market-halls are necessary, halls that in general supply the following requirements.

One of the most important requisites of a wholesale market is railroad facilities in the immediate neighborhood. The tracks whenever possible should be so situated that goods can be unloaded immediately and without elevators into the halls, and not in such a way that the tracks are a story or more above and the transfer between the rail and the hall has to be supplied through elevators. The sufficient capacity of railroad facilities is of a special importance, as otherwise the goods cannot be unloaded and brought to the market at the right time, which might cause disturbances in the supply and an unfavorable influence upon prices. If water connection is at hand it is advisable so to choose the situation, that ships can be moored in the neighborhood of the market-hall, and the goods unloaded without great expense.

Room to take care of wagons is a matter of a good deal of importance. These spaces must be large enough so that there will be no interference with the increasing traffic coming to and leaving the market, which would hinder the development of the market. It is

of service to provide special space round the hall to take care of the wagons so that the street used for general traffic may not be burdened with their presence. The best form for a larger market-hall is a long oblong as it furnishes larger spaces for taking care of the wagons and for spurtracks, and renders loading and unloading much easier. Care must therefore be taken that the whole plant and grounds, the hall, the spurtracks and the provision for wagons, may keep up with the development of the traffic. It is therefore wise from the beginning to look out for abundance of land for enlargement, as with the constant growth of cities, the acquiring of land for enlargement or the erection of a market elsewhere involves disproportionally high cost.

It is of importance that large enough cellars for cooling, refrigerating, heating and storage are at hand, without which wholesaling cannot be carried on. Here too provision must be made for future enlargement. A central position is not as necessary for a hall used by wholesalers as for a weekly market as the wholesale market is chiefly resorted to by those who buy to sell again.

In order to better utilize the land market-halls may be provided with galleries. As a general thing galleries are little liked by buyers and sellers, and are to be recommended for the most part only for retail trade.

#### *Chief and Subsidiary Markets*

In the large cities there are sometimes several market-halls or markets; as a rule, however, there is only one chief market-hall, in which the wholesale business develops exclusively or chiefly, and then district or subsidiary markets, that chiefly serve for retail selling. A strong tendency towards centralization has been noticed almost universally in these cities, as has a tendency for the market for wholesaling to grow greatly, while the district and subsidiary markets lag behind. What is the cause of this? It is the nature of markets to regulate prices by supply and demand. But supply and demand are only to be found where products flow together—that is in the chief market and not in the district and subsidiary markets that provide themselves with goods mostly from the chief market, and as a rule are nothing but retail trading places like stores in the city. From this point of view it seems wrong to separate the wholesaler and the producer, and to locate the wholesaler in the chief market-hall while the producers are provided for in a subsidiary market. Both groups

provide the supply and therefore belong together in the chief market. The mistake of separating the two groups was made not long ago in a city, where a chief market-hall was opened, and the great difficulties that arose from this did not disappear until the producers and the wholesalers were again united in the chief market-hall.

### *Retail Selling Outside the Market-hall*

Another reason for the lagging behind of the district and subsidiary markets is that retail selling has a tendency more and more to leave the market-halls for the stores. These stores are either simple fruit and vegetable shops or grocers that carry fruit and vegetables as a side line. As a rule they supply themselves daily at the chief market-hall with fresh wares. As they buy in large quantities they know how to buy, and their selling prices are mostly not at all or not greatly higher than the retail selling prices in the market. They offer the woman of the house the advantage of being able to attend to her purchases in the immediate neighborhood of her home, so that she is not obliged to make any particular preparations, to waste much time or pay street car fare. As they buy regularly in the stores they obtain credit and are served well and in a friendly way. All these circumstances have contributed to the result, that these stores in spite of many an incidental disadvantage, such as less choice and a lack of hygiene, have greatly increased and have won importance for the distribution of provisions. Warehouses also with their great traffic have very often taken up the sale of market goods, and thus contribute to the falling behind of retail business in the market-halls. In many cities the street sale of market goods plays an important part. This consists mostly in the business of sellers who buy at cheap price the superfluity from the wholesale business, and the next morning sell it at low price from wagon and push-cart, preferably in the neighborhood of the less wealthy. In Berlin the street trade plays an important part in the sustenance of the economically weaker part of the population. In many places, however, it is forbidden since it injures retail business in the market.

All these circumstances have brought it about, that retail sales in the market-halls have constantly gone back, and that the district and subsidiary markets are losing importance.



*Market Conditions in Various Cities*

In the more important cities the market conditions are as follows:

In Berlin there are in the middle of the city on Alexanderplatz two market-halls (I and Ia) situated side by side with galleries and spur-tracks, which are situated at the height of the galleries. Hall I was built in 1886 and hall Ia in 1893. In hall I there is only wholesaling, in hall Ia both wholesale and retail business. In addition to the two central market-halls there were erected between 1886 and 1893, thirteen district market-halls for distribution, in which for the most part only retail sales took place. Of these thirteen district market-halls on account of insufficient rentability, and in spite of the lowering of fees and other measures for the increase of business, four halls one after the other had to be closed. On the other hand business in the central market-halls has so tremendously increased that these halls and especially the spurtrack connection are no longer sufficient to keep pace with the business. Therefore the enlargement of the wholesale market has been planned for years, but no final steps have been reached as the finding of a situation was a matter of great difficulty.

Dresden has a chief market-hall at the Wettiner station of one story with spurconnection, cooling and refrigerating rooms, also two district market-halls with galleries, one in the busy old city, on the Antonsplatz, where before the erection of the market-hall there was already a lively open market, and another in the crowded new city on the right bank of the Elbe. The wholesale market-hall at the Wettiner station was erected in 1895 for wholesale business, but after two years small trading was also allowed. Business in this hall meanwhile has so increased that in the summer months the surrounding streets and squares must also be used for this purpose. Rail connection only a few years after it was opened was found to be insufficient and was enlarged last year by the use of a nearby square that up to that time had been used as a public garden. Business in the two district market-halls has greatly decreased. The district market-hall in the new city, in spite of the lessening of fees, is now hardly half filled. The gallery is used for flowers, rabbits and other exhibitions.

Cologne-on-the-Rhine has a chief market-hall with galleries, spurtracks, cooling and refrigerating facilities in the old city; about a thousand yards distant from it a retail hall in the Severinstrasse and several open markets. The chief market-hall, opened in 1904, is

situated very near the former open market-place and is separated from the shore of the Rhine by only a row of houses. The hall is in the first place intended for wholesaling, but at the same time serves for retailing. It has both connection with the mountain-narrow-gauge-road and also with the state railroad. The district market-hall, in existence since 1886 on Severinstrasse, serves entirely for retailing, and since the erection of the chief market-hall has decidedly lost importance. Some of the open markets have a lively business, which is explained by the fact, that, with the exception of the markets in Cologne-Lindenthal, and Cologne-Nippes, they have long existed and in those quarters of the city have checked the extension of the business of the stores.

In Leipzig there exists only one market-hall in the center of the city, with galleries, cooling and refrigerating facilities, but without rail connection. The lack of a spurtrack is found to be a great disadvantage. The erection of a market-hall with spurtrack has again and again been the subject of discussion.

In Munich there was opened near the Süd-Bahnhof in the beginning of 1912 a wholesale market-hall of one story with spurtracks, cooling and refrigerating facilities. Up to that time the entire market had developed on the Viktualienmarkt, and the wholesaling in the Schrammnhallen, situated near the Viktualienmarkt, which before that time had served for the grain trade. When the new wholesale hall was first opened, but a part of the producers were accepted; the acceptance of the other producers following later on. Upon the Viktualienmarkt only retail trade remains.

Breslau has two market-halls with galleries, cooling and refrigerating facilities. Both started business in the year 1908. One is on the Ritterplatz, the other on the Friedrichstrasse. Upon the opening of these two halls, the two open markets that had existed up to that time were closed. The erection of a hall with spurtracks was for the time left out of consideration, since the goods on the weekly markets came almost entirely from the immediate neighborhood by wagon to the city, and it was considered of importance that the market-halls should be situated as much as possible in the midst of the busiest part of the city.

In Hamburg, in place of the markets on the Messberg and on the Hopfenmarkt, there was erected in the year 1912 a single and centralized market near the Deichtor immediately on the upper harbor.

Hamburg differs from the rest of the German cities to this extent, that there the market arrangements consist of a specially constructed large square, that is divided by the Deichtorstrasse into two squares. A part of these two squares is constructed with cellars, and there is also upon each of them a hall. Nevertheless the larger part of the business of the market is done under the open sky. The spurtrack lies high, so that all shipments by rail must be transferred by elevator. The casemates under the railroad that is elevated at this point are used for market purposes.

In Frankfort-on-the-Main there is found in the middle of the city on the Hasengasse one of the oldest market-halls in Germany. It was erected on the spot where the old open market-place was, and opened in 1879. It is provided with a gallery running all around it, serves for wholesale and retail business, has neither rail connection nor cooling and refrigerating facilities, and by no means is any longer sufficient for the business, that meanwhile has grown mightily. Little by little therefore three additional temporary halls and an open market-place had to be added. For years the erection of a new market-hall with rail connection, that should serve chiefly for wholesale business, has been under consideration. As in all large cities the question of situation was here one of great difficulty. After exhaustive study of the needs and the experiences of other cities, the following principles for the requirements necessary for the new hall were fixed:

Though as wholesale-hall it need not be situated in the center of the city, yet its situation must be such that it may serve both as a retail market-hall for the neighborhood in which it is erected and for the larger use. It must be sufficiently large for at least the next ten years and be capable of enlargement to such an extent that reasonable provision for the future may be provided. It must have abundant cellars for storage, cooling, refrigerating and warming rooms, all capable of enlargement. It must in addition, have convenient streets and sufficient room for access of wagons and be easily reached on all sides by the street railway. Finally there must be rail connection. It is also desirable that it should lie near the Main, in order that water transport may be of service to it.

On the basis of a thorough memorandum the higher city officials decided in 1912 on the situation in the easterly periphery of the city on the east harbor, immediately on the Main. According to the plan the building is to consist of several separate halls connected with one another by passages and so arranged that the building can be enlarged

at any time by the addition of similar halls. Beside the railroad a special hall for loading and unloading is to be erected into which to bring goods arriving by rail destined for immediate shipment away without burdening the market-hall itself with them. It is connected with the market-hall by a covered street, and can also be used for the market as well as the street itself. Over the storage house are situated the offices of the management and those of the wholesalers. The plans are nearly finished and will soon be laid before the appropriate city authorities for voting the money. The market-hall in the old town is to remain as a storage-hall.

### *Influence of Markets Upon the Determination of Prices*

The influence of the weekly markets, especially of the wholesale markets, upon the determination of prices is many sided. It may be followed up in three directions. Firstly, it is founded upon the market itself in the centralizing of regulation of supply and demand; secondly, in the lessening of expenses; and finally in the protection of the wares against injury and in their preservation.

### *Facilitating Supply*

The more narrowly the market is centralized, the more clearly it is arranged, the easier demand and supply can be inspected. Nothing stands more in the way of a regulated fixing of prices than the splitting up of the markets. Centralization and clear arrangement are therefore of the first importance. Of course provision must be made that the law of supply and demand be effective without hindrance. Therefore it is in the first place necessary that the market should have enough room to take in at any time new producers and traders. Opportunity must also be given lessees of stands to increase their business with increasing needs, which at the same time helps to increase supply. If the hall is too small, there arise around the market-place, as one may see in many cities, private markets that make a general view of supply more difficult and injure the market. A further consequence of lack of space is the danger of the forming of rings among the wholesalers. Through the coming in of new competition the creation of rings is made more difficult. From this point of view the natural contrast between wholesaler and producer is also of weight. Even when trade in the larger markets plays an important and in-

creasing part, nevertheless the producers even today constitute an important factor in the supply of the market and by bringing the two groups together, a ring among the traders is made much more difficult. It is therefore a wise thing to favor as far as possible the producers and also to have regard to their necessities. It must be noticed in this connection that the producers visit the market mostly only during the harvest, in all about five to six months in the year, and that it does not pay for most of them to hire stands and space for the whole year since in this way their wares are made disproportionally dear. It therefore seems wise to keep space ready for them even although from the financial point of view it will be more advantageous to rent the space for the whole year.

Of unusual importance for the regulation of supply and demand are city-selling agents, who should not be lacking in any market of importance. These produce agents are licensed by the market authorities. The conduct of their business is ruled by regulations and guarded by the market authorities. They have wares that come to them from distant, especially from foreign, producers, for whose account they sell them on the market at the best possible price. The charges that are allowed them for their efforts are fixed by the market authorities. They are obliged to give security that their principals are not injured. For their business, bureaus and storerooms are at their service. As a result of all these guarantees the city-selling agents enjoy universal confidence. They tend to regulate supply and demand in that they take care that the market at all times is sufficiently supplied and any gaps in supply filled out. In large markets several city-selling agents are always busy. Thus in the Berlin central market-hall there is a special selling agent for fruit and vegetables, a second for game and poultry, a third for fish. Selling agents do business only as wholesalers, either at private sale or at auction. Special use is made of auctions in case of goods that are in danger of quick injury. The goods secure in this way as a rule, it is true, smaller prices than at private sale, but find quicker sale for cash, so that less loss for spoiled goods occurs and the principal in spite of the cheaper prices, as a general thing, brings the same amount as in private sale. It is clear that the policy of allowing city-selling agents is not agreeable to traders and producers; still nothing remains for them but to do the best they can with the arrangement, which indeed gives them an advantage, in so far as it brings business to the market. It attracts

proprietors of hotels and so forth as well as purchasers from the neighboring cities, who to a large extent also make their other purchases in the market-hall.

The setting up of facilities for the storage of supplies, for instance refrigerating, cooling, warming and storage-cellars also tends towards the regulation of supply, especially as they furnish the possibility of a quick provision, in cases of great concourses of men, like public festivities.

### *Lessening of Expenses*

The lessening of expenses plays an important part in the regulation of prices in the case of market goods as everywhere else. As has been above stated, in accordance with the "Gewerbeordnung," business on the market can in no case be burdened with any other charges except those for payment for the room given up, and the use of booths, tools, etc. In this provision of law there is a certain guarantee that the expenses on the market that must be met by the sellers shall be as small as possible. Of course the charges for stands in the market-halls cannot be so small as on an open market that does not require any special capital. It must be noted that the city authorities do not regard market-halls as undertakings for obtaining the greatest possible profit, but as provisions for the public welfare, and are contented that they pay their own expenses without requiring additional payments. Charges for the use of spurtracks, cooling, refrigerating and other storerooms, as a general thing, are not higher than is necessary to cover cost of the plant, its repairs, interest and repayment of the original capital. In any case the charges that must be paid in public market-halls are considerably less than rents for stores and storerooms in equally good positions in the city. An important part in the lessening of the expenses is played by the spurtracks as the transportation of the provisions is made in this way much cheaper than by their transportation between rail and market-hall by wagon. Of special importance also are the arrangements that make it possible to bring the wares in the quickest and simplest manner to the storerooms, because in that way wages are saved. From this point of view elevators must be so fitted up that an entire car with goods may be loaded upon them, so that they may leave direct from the elevator; also slides, inclined planes or spirals upon which the wares without any further effort slide down into the lower rooms are important.

*Preservation of the Goods*

That the protection of market goods against injury is of importance in the regulation of prices needs no explanation; since most of these goods are easily injured or spoiled. The less the waste in this way, the less that must be reckoned as part of trade costs in the selling price. The avoiding of transshipment is in itself of importance in the preservation of the goods. From this point of view also it is most expedient that the wares should come in the freight cars immediately in front of the hall, and from there be brought by wheelbarrows to the place of sale, the room where they are unpacked or the storage room. Also the construction of the hall is of importance for the preservation of the wares. A hall of iron with sheet iron roof is little suited for market plant since it does not offer enough protection from heat and cold. Three requirements are to be made in this respect of the building: good ventilation, use of material that keeps out heat and cold, heating arrangements in order to heat the hall in winter sufficiently to prevent the entrance of frost. For the flower trade it is wise to have a special department that is shut off from the remaining part of the hall and is heated independently.

Finally of a special importance for the preservation of the wares are the storage rooms: for fruit, potatoes, cabbages and so forth, cool, well-aired cellars must be provided; easily injured goods like eggs, butter, cheese, meat, fish must have cooling and refrigerating rooms. Bananas require rooms with simple arrangements for heating, in order that they may be slowly or more quickly ripened. For the different articles separate divisions in the cooling and refrigerating rooms are necessary, since the temperature for the best preservation of the goods in the cooling rooms is different for the different articles, and the goods, if stored together, easily acquire the smell one of the other. In recent times cooling and refrigerating rooms are very generally provided with ozone plants that serve for improving the air in these rooms, and for the preservation of the articles stored there.

I have described in a general way the markets in Germany. In America things are different. In the different branches of public and economic life the development causes changes in the provision of supplies from the methods in Germany. Nevertheless the above description will not be without interest for those who are living under American conditions.

## THE LONG ISLAND HOME HAMPER

By H. B. FULLERTON,

Director Agricultural Development, Long Island Railroad Company,  
Medford, Long Island.

Up to 1905, I along with others was a consumer belonging to the city flat-dwelling tribe. In 1905 we became producers, in charge of the Long Island Railroad's Experimental Stations, casting our lot with those of the market garden profession.

As soon as the results of our labor reached the salable stage we were confronted with and astounded by the remarkable changes in food undergone during the transmission between the producer and consumer. We gathered peas crisp, vivid in color and of wonderful sweetness; we remembered yellowed, shriveled, flavorless semblances we purchased as flat-dwellers. We gathered sugar corn that lived up to its name to the very limit. We cut lettuce, crisp and with cabbage-like heads of greenish tinted whiteness. We remembered that in the city we were unable to buy at any price corn that had the slightest hint of sweetness; and that the lettuce we obtained was flabby and tough and required foreign mixtures to make it edible. We raised strawberries, large and luscious, as sweet as those wild berries of which poets long have sung. Celery we grew, whose stringless, brittle stalk forced us to use great care in gathering this sweet-flavored appetizer. Cantaloupes and watermelon we grew, of quality so high that we no longer yearned for our youthful days. Mealy potatoes, stringless snap beans and great limas equalling in full those which had long been but a memory.

All these longed-for-by-mankind vegetable foods, with many other varieties we shipped to the city, consigning them to concerns doing business as commission merchants, who had in person or by letter solicited consignments from us and who agreed over the firm's signature to sell our choice and fancy crops at the highest obtainable price and guaranteed to forward immediately proceeds of sales to us, deducting as their commission for transacting the business from  $7\frac{1}{2}$  to 10 per cent. Astonishment and indignation were extremely close companions from the moment the first returns came in. Consternation was also in



marked evidence, for bunches of radishes extremely early, carefully selected, washed and honestly bunched beauties, barely returned us enough to pay for the labor of bunching. Big, firm and uniform heads of lettuce did not return the original cost of the package in which they were shipped. Carefully picked, painstakingly selected, firm and perfectly formed tomatoes brought less than the cost of the shipping crate. Occasionally we received notice that the "market was overstocked" or because of "no demand" no returns could be made, and less frequently came the astounding request that we make a remittance of various amounts "to cover the loss sustained" by the commission merchants.

Then in conference we hearked back to the flat-dwelling days when we had bought but sparingly of some items and gone without others because of the extremely high prices demanded, and many of these items were the identical food plants for which we had received little or nothing, or a little less than nothing at times. It was a riddle, but like all riddles capable of solution; it was most emphatically "a condition, not a theory that confronted us," and having learned in our early days that the way to find out was to find out, we made an unannounced self-appointed committee tour of investigation, and in short order discovered in this our very first year as producers, the ever memorable 1906, many weird and startling things connected with the food supply of the city consumers.

We found that the phrase "market price" was a joke or hollow mockery; that it depended not one whit on that only true regulator of price, supply and demand, but rested entirely on the vagaries, the needs or the greed of a very few in whom the speculative tendency was predominant; that concerns soliciting consignments from producers and offering to make covenant with them for the very best prices, and charge for thus acting as agents varying commissions running from 5 to 10 per cent; that a very common method of procedure was to turn the producer's goods over to one or more purely fictitious firms, sometimes consisting of wives or children of the alleged commission merchants. This apparently sufficed to satisfy all mental, moral and legal principles, and of course left an unobstructed right-of-way for speculation of the most productive kind.

To the simple-minded non-gambler this seemed to be synonymous with that unsavory practice sometimes pursued by financiers designated as "wash sales." We found that beyond this there stood from

five to seven intermediaries between producers and consumers, who without one dollar of invested capital, having no expenses for rental or clerical assistance, their offices being their hats and their stock-in-trade a lead pencil, were amassing "unearned increment" that yielded them handsome city residences, attractive summer homes, and such luxuries as automobiles and even yachts.

We found out many other things. We found that our crops for which inadequate returns were being made were offered for sale in many cases at a cost so high that only the extremely well-to-do could afford to purchase them. To that great majority, the so-called middle class they must be only occasional luxuries. While to the poor who suffer for their lack, they were the unattainable.

Having solved the problem which since that ever to be remembered year 1906 has been discussed, debated, investigated and conventionized by great minds noted for nation-craft, state-craft and city-craft we returned to our modest market garden home having all fundamentals necessary to solve the riddle, whose only solution was the one word—speculation. Then knowing through personal knowledge and through reading that no law could be enacted to make man honest we naturally concluded that we must eliminate the opportunity for unfair dealing and needless additions to the cost of food, which meant "farm to family fresh."

Here we had the "word," and in a simple crate containing six regulation four-quart boxes of food plant products we delivered the "message." Its name, the "Long Island Home Hamper," followed as a natural sequence; "Long Island," for here the food was raised and the idea evolved; "Home," because it would help to solve the living problem; "Hamper," well, because alliterative phrases roll glibly from the tongue, while leaving their impress on the memory.

The fair price that was set on the home hamper was solved by the square deal method of investigating the selling price in vogue at those little stores whose owners were satisfied to do business on a margin that would cover their needs and leave them an annual surplus for a rainy day and the lessening earning capacity of accumulating years.

The first price set, \$1.50 per hamper, (we paying the delivery charge) has not been changed. To get at the net returns to us for our produce from this price must be deducted the charge made by the Long Island Railroad Company, express service, for hauling a package

weighing from 30 to 35 pounds a distance of 60 miles, and then making wagon delivery throughout New York City or Brooklyn; also there must be deducted the price of the simple regulation crate, six 4-quart boxes, separator and cover, varying between 18 and 19 cents; the cost of the paraffin paper, with which each 4-quart box is lined, and which covers the food and protects it from dust while keeping it fresh and crisp; the cost of the labels, the labor of packing and hauling to the station, two miles away, and the clamps which bind the cover to the "home hamper," nails not being used as clamps are more easily handled by those in charge of the household's most important realm. These "home hampers," shipped about seven o'clock in the morning, are delivered by noon, frequently before, and in ample time for that most important city meal, supper, called by city folks dinner.

The business was started by sending a few home hampers to acquaintances and accompanying it with a letter, in which we frankly said we had evolved the home hamper for the purpose of cutting out food speculation; for the purpose of delivering absolutely fresh vegetables, berries, etc., to the consumer and for the further purpose of securing for the producer a fair and just return for his labor and investment in his farm, his implements, his horses, his seed, his fertility upkeepers and his expenses incidental to picking, packing and marketing his crop. We asked them to investigate and if they felt the home hamper was worth \$1.50 we would be pleased to receive remittance. If on the contrary the home hamper for any reason whatever did not appeal, to accept it with our compliments.

This first shipment proved that we had filled a long-felt want; remittance was promptly received from each recipient, and further we at once received orders from others, averaging three and a third customers from each hamper shipped. We have received many letters running all the way from commendation to fulsome flattery and are advised that we save for the consumer from 70 cents to \$3 per home hamper.

In order to get an absolute check on our findings regarding the superlative array of intermediaries and their super-superlative additions of "unearned increment" we have many times make bulk shipments of items entering into the make-up of the home hamper of specific dates. We were positively stunned to discover that in the wholesale shipments we would net from 6 to 8 cents for the crops, for which when

shipped in the home hamper, we received 98 cents net; so while saving the consumer many hundred per cent, we gain for the producer a difference between 6 cents and 98 cents.

That identically the same objects can be accomplished in other ways is most apparent. Public markets in reality and as well in name have done it and are doing it in many sections of the country. In these markets it is imperative that no one be permitted to obtain a foothold or a stall unless he be producer or the duly authorized local agent of a community of producers. The only true coöperation of producer and consumer is best illustrated by the army and navy stores of England in which producer and consumer alone receive dividends and whose simple constitution or governing factors have proven impregnable to all assaults.

The Long Island Home Hamper has had no strings attached to it and has been adopted in many sections of the United States, the occasional letters received by us demonstrating that it works out satisfactorily in any climate and under any conditions of humankind.

## THE COMBINATION FAMILY BASKET

A COMMUTER'S PLAN FOR DIRECT MARKETING

By HARRY SPRACKLAND,  
Barrington, N. J.

Working in the city and living on a one-acre farm in the country where I have "the time of my life" raising vegetables, chickens and small fruits with which I abundantly supply my family of eight, I have in a measure solved the problem of the high cost of living. Incidentally I have created an outlook for my children that more than discounts the artificialities of city life.

I found that, like the average farmer, I was growing more vegetables than I could use, and that the surplus was being wasted. I decided to try to sell some. The grocer from the nearby town agreed to take some lettuce and romain salad at 36 cents per dozen and some radishes at 30 cents per dozen bunches. I observed that the lettuce and romain salad retailed at from 8 cents to 12 cents per head and the radishes at 5 cents per bunch. I felt that I wanted more of that profit. However, I had neither the time nor facilities to retail what I had; yet the desire to collect some of that profit almost consumed me, for I was intensely interested in farming and had planned to go into it as soon as I could.

One morning in August I gathered from my garden a quarter of a peck of string beans, two heads of cabbage, two bunches of beets, one cauliflower, two fardhock squash (or English vegetable marrow, as it is called), one bunch of Swiss chard, a vegetable whose green tops are destined to take the place of spinach and whose large white stalks may be cooked the same as asparagus, and a quarter of a peck of tomatoes; also a bunch of potherbs containing twenty sprays of parsley, ten sprays of celery, two carrots, two leeks, two roots of oyster plant, six pieces of okra, three green peppers, some thyme and summer savory. All this I placed in a farmer's half bushel basket. It contained a vegetable for every day in the week, and a potherb that is of tremendous value to the housekeeper who knows. I delivered the basket, neatly covered, to the home of a friend in the city and explained to his wife that I would have brought twice the amount or

more were it not for the distance and weight. I asked her to look over the vegetables and tell me what she would have to pay for them at the corner grocery store as I was studying a business proposition in connection with them. Her exclamations of delight as she took one thing after another from the basket—"Just look how fresh!" "Aren't they perfectly lovely!" "I could never buy anything like these in the city." "They are so fresh looking and so bright and clean"—were all glorious music in my ears, and I felt that I had "struck oil." After taking stock, like the keen housekeeper I knew her to be, she declared that, were it possible for her to buy such things, the cost would be from 85 cents to \$1 a basket. I asked for her candid opinion as to whether the people in such a neighborhood as hers would purchase weekly, from the farmer's wagon, baskets like this one at 60 cents each. She expressed her willingness to take one every week and felt sure I would have no trouble in selling all I could grow. Needless to say, I felt elated.

I delivered many of these baskets in the city and found that the housekeepers readily recognized the benefit they derived from purchasing in this way. Just at this time I saw, through the agency of the parcel post, the possibility of a business direct from the farm; for the delivery was solved if I could put up a basket to meet the weight requirements. With this in view, I placed in a peach box or carrier, one quarter of a peck of tomatoes, one quarter of a peck of lima beans, fresh hulled, and the "potherb" I have described above. I felt that a small family would appreciate that at 25 cents at the nearby town, and, with a little explanation of the virtues of the freshness of the vegetables and the multitude of uses for which the "potherb" would be available, such as a pot roast, a soup or a stew, besides garnishing for salad, etc., I had little trouble in selling the same on my way to the city. I made up many of these baskets and they found a ready sale.

Strange, yet true, right here in the country where these things grow, they are hauled to the city, and then hauled back again by the grocers and sold to the neighbors of the farmers who grew them. Here is a field which to me offers limitless possibilities. In this same country place I have a friend who is somewhat interested in farm life, and, being a chef in one of the leading clubs of the city, he is a past master in the art of preparing food as a business. We have threshed out many things together besides the value of vegetables

fresh from the farm. We have put up in glasses for our own use vegetables and fruits the equal of which no money can buy in the ordinary channels of trade. The commercial spirit reached us on these things and we laid plans for their delivery to the waiting consumer.

In November last I took stock of what my wife had that summer preserved and canned for our winter use. I found: 91 half-pint glasses of strawberry jam, 48 pint glasses of red currant and raspberry jam; 60 pint glasses of gooseberry jam, 100 pint glasses of grape jelly; 80 half-pint glasses of grape jelly; 80 pint glasses of grape jam; 50 quart jars of Keiffer pears; 4 quarts of wild cherry syrup; 70 quart jars of string beans; 60 quart jars of tomatoes; 30 quart jars of tomatoes and corn, 20 quart jars of tomatoes and okra, 50 quart jars of gumbo creole, 10 quart jars of pickled beets, 20 quart jars of green pickled tomatoes, 24 quart jars of tomato chutney, 5 gallons of sour crout, 5 gallons of red pickled cabbage. Some of the garden stuff of the summer of 1912 is as follows: 1200 heads lettuce and romain salads; radishes; peas; rhubarb, 10 clumps; cabbage, 200 heads; cauliflower, 100 heads; string beans early and late; lima beans; kohlrabi; Swiss chard early and late; spinach; early potatoes; okra; parsley; leeks; celery; oyster plant; green peppers; thyme; beets; carrots; estrajon; corn; 1,000 heads curled endive salad; mint.

If all these things were charged up at current prices, they would take care of the interest on the home up to \$2,000. And that, to the man who has little but spare time to invest, spells independence for old age. Judging this by the standard of dollars and cents, it is a great success, yet that is outweighed as an asset to the family's health through our unlimited quantities of food to say nothing of the ennobling influence of such a life and teaching upon our children.

The strawberries which my wife preserved were purchased from a near-by farm at 4 cents per quart, the Keiffer pears at 15 cents per basket, the wild cherries were picked on the roadside. The other things and more were produced on less than one-half an acre, the remaining land being occupied by the house, lawns, flower beds, chicken house, runs, fruit trees, and grape vines, planted three years ago, some of which are beginning to bear. Experience has taught me that better results could be accomplished by confining the country home to one-half an acre, for intensive methods give larger returns with much less labor.

Further study of this fascinating problem of the distribution of farm products led me to take up the subject with the neighboring farmers and to each of them I suggested the possibilities of the combination family basket. Admitting the logic of my arguments as to its possibilities, I was forced to realize in each case that the change from their present methods was too much for them to attempt even as an experiment. This I attribute to their environment and lack of contact with new things. The weight of the family basket, packed as described, varies from twenty-five to thirty pounds. In studying how their weight might be reduced that more might be hauled to town, I made up a smaller basket to suit the requirements of a small family. After experimenting, I found the ideal basket to be eighteen inches long, twelve inches wide, nine inches deep, without a handle, costing \$3 to \$4 per hundred. In this basket I placed one small head of cabbage, one quart of string beans, one quart of lima beans, one quart of tomatoes, and one "potherb," containing eight different vegetables and seasoning herbs and six green peppers. This basket, lined and covered with oiled paper, wrapped with stout paper, tied with string, which serves also for a handle, weighed twelve and one-half pounds and solved the weight problem.

I believe that were this hamper idea adopted by commuting farmers and by truck gardeners, it would add profit to their pleasure and prove a stimulus to the back-to-the-land movement. The farmer would see its success and during its growth would have time to adjust his business to meet the conditions of the new kind of farm. The high cost of living would also be reduced, for through the medium of the basket, chickens, ducks, butter, eggs, jams, jellies, and in fact the whole product of the farm, could be delivered to the consumer.



## PROFITS THAT FARMERS RECEIVE

By E. H. THOMSON,

Agriculturist, Bureau of Plant Industry, United States Department of Agriculture.

Many wrong impressions prevail in regard to the real profits in farming. The consumer in the city believes that the farmer must certainly be growing rich. His impression is due to the fact that he has to pay high prices for the things the farmer sells. He little realizes the amount of capital and labor utilized in the production of these products, neither does he consider carefully the difference between the price the farmer receives for the quart of milk or bushel of potatoes and what the consumer pays.

Within the last few years the Office of Farm Management of the Bureau of Plant Industry, United States Department of Agriculture, has made certain investigations with the view of determining the profits in farming and those factors that seem to control them. These investigations, called Farm Management Surveys, were made in representative farming areas in seven states, the results from which, with those found by the New York State College of Agriculture at Cornell, give an excellent indication of the profits farmers receive for their year's work. Each district surveyed usually comprised a group of three or four townships and included all the farms within the area selected. In this way average conditions were studied, otherwise there would be a tendency on the part of the enumerator to select certain farms and pass by others. All data were collected by trained agricultural students working under the supervision of persons acquainted with the work and who exercised the utmost care to obtain accurate results.

A large number of farmers keep some sort of accounts, but very few keep complete records whereby all data needed in the survey could be obtained. It has been the experience of those who had occasion to take a number of farm records that the farmer is able to give, and does give, a remarkably correct statement in regard to his financial business. As a rule a few important items constitute a large part of the farm receipts or expenses and these items, when not well remembered, can often be checked up by the creamery or dealers' accounts. Where

certain farmers will overestimate, others will underestimate, and the results averaged from 100 farms, or over, are approximately correct. An excellent illustration of the accuracy of results obtained in these surveys is given by Prof. W. J. Spillman in Bureau of Plant Industry Bulletin, No. 259, of the United States Department of Agriculture. He states as follows:

Among the several hundred farms included in the survey were 135 that sold milk to creameries. Each of these farmers was asked to give as accurate an estimate as possible of the amount of money he had received for this milk. After the survey was partially finished it occurred to the investigator that it would be possible to secure a check on the accuracy of these estimates by obtaining the actual figures from the creameries themselves. It was decided also to test in a similar manner the farmers' estimates of the quantity of milk each had sold to the creamery. The estimates as to quantity of milk sold were then obtained from the 79 farms visited after the decision had been reached to make this test. These farmers did not as a rule weigh their own milk and were not accustomed to dealing with weights as they were with sums of money; it was to be expected, therefore, that the estimates of quantity of milk sold would be less accurate than those of money received, and this was the case, as will be shown below. After obtaining the estimates from the farmers, the actual figures, both for weights of milk sold and for money received, were secured from the creameries that had purchased the milk.

Estimated pounds of milk sold (79 farms).....	3,518,816
Actual pounds of milk sold (79 farms).....	3,487,320
Difference.....	31,496
Estimated value of milk sold (135 farms).....	\$106,163.00
Actual value of milk sold (135 farms).....	106,155.50
Difference.....	\$7.50

It is seen that the error in the quantity of milk sold is a little less than 1 per cent of the whole. At the same time the individual estimates of pounds of milk sold were in error by amounts ranging from 40 per cent above to 36 per cent below the correct figures. In the total these errors tended to counterbalance each other, so that the sum of the estimates was quite accurate. In the estimates of money, in terms of which the farmer is accustomed to reckon, the error in the total is less than one-hundredth of 1 per cent. These instances will serve to show something of the measure of accuracy attainable in the results of the farm-management surveys.

The results given in the following tables are only for one year in each region. The seasons and variation in prices will make an immense difference in the farmer's income, particularly in certain dis-

tricts. In the areas studied, it is believed the conditions were fairly normal in all respects. Possibly the results from Iowa are 10 to 15 per cent too low, due to dry weather during the early summer affecting the corn yield. In Chester County, Pa., the incomes are possibly a little above normal, due to unusually high prices of hay and other roughage sold from the farm.

In table I is given the capital invested, receipts, expenses, farm income and labor income, of 2,090 farmers operating their own farms. By farm capital is meant the average of two inventories of land,

TABLE I.—AVERAGE CAPITAL, RECEIPTS, EXPENSES AND INCOME OF 2,090 OWNER FARMERS

State	County	Year	Number of farmers	Average capital	Total receipts	Total expenses	Farm income	Labor income
Indiana.....	Clinton	1910	123	17,536	1,876	689	1,187	310
	Tipton							
Illinois.....	Cass	1910	73	51,091	5,043	1,866	3,177	622
	Menard							
Iowa.....	Greene	1910	77	23,193	2,308	858	1,450	290
	Guthrie							
Michigan.....	Lenawee	1911	300	11,756	1,717	648	1,069	481
Pennsylvania....	Chester	1911	378	10,486	2,448	1,134	1,314	790
Oregon.....	Marion	1911	258	14,917	1,722	715	1,007	261
	Polk							
New Hampshire..	Hillsboro	1908	266	5,350	1,582	978	604	337
*New York.....	Tompkins	1907	615	5,527	1,146	447	699	423
Average for 2,090 farms			.....	17,482	2,230	917	1,313	439

\*Bulletin No. 295, Cornell University.

buildings, live stock, machinery, etc., taken at the beginning and end of the farmer's fiscal year. Normal values (not assessed values) were used in all cases. The farm receipts represent the income from the sales of all products, labor performed by the farmer off the farm, and gain from increased investment. No gain was allowed for increase in value of land unless justified by new buildings, drainage, or other permanent improvements. The farm expenses include all such items as feed, seed, repairs, live stock, labor, taxes and insurance. In case the farmer's sons worked, but were not actually paid, the value of their labor was charged the same as if they had been hired. No

charge is included in the expenses for the owner's labor, as his wages are represented in the labor income.

The difference between the farm receipts and expenses is called the farm income; this represents the combined earnings of the farmer's capital and his own labor. Assuming that the use of capital is worth 5 per cent, and deducting the interest at this rate from the farm income gives the farmer's labor income or the amount he receives for his year's work. This labor income represents the farmer's wages and profits, that is, if the farmer's labor income is \$439, and his labor is worth but \$300, his profits are \$139. In other words, it is the amount left for his own labor and for profit in the business. In addition he had the use of a house to live in, and all those products furnished by the farm towards the family living, the most important of which are milk, eggs, meat, garden vegetables and fruit. In the farm receipts, no credit is given for these items consumed by the farmer and his family.

If the farmer is free of debt, thereby having no interest to pay, he will have in addition to his labor income the interest on his investment to use for living and savings. In regions where the farm capital is large, such as Illinois and other corn belt states, the farmer will be able to live comfortably and yet have a minus labor income, the interest alone being sufficient to give him a good living. In fact many farmers live on the interest of their investment rather than on the real profits of their farms. Smaller farms and cheap land make the average farm investment much less in New York and New England. On such farms the amount (farm income) available to the farmer to pay interest on mortgages and for living expenses is less than \$700.

In table II is given the distribution of labor incomes for the farmers in six states. Out of 1,209 farmers who operated their own farms 5 per cent, or one in twenty, received over \$2,000 as a labor income. Twenty-three and six-tenths per cent failed to make a plus labor income.

Under normal conditions in the northern states we are led to believe that about one-third of the farmers make less than \$100 a year after the interest is counted on their investment. Severe weather conditions, or low prices, often result in heavy losses, and in many years only a few men receive a plus income. This condition is especially liable to occur in regions of specialized agriculture.

TABLE II.—DISTRIBUTION OF LABOR INCOMES OF 1,209 FARMS OPERATED BY OWNERS

States	Number of farmers	Number making minus labor incomes	Number making incomes between \$1 and \$400	Number making incomes over \$2000
Indiana.....	123	32	52	2
Illinois.....	73	27	16	8
Iowa.....	77	30	19	2
Michigan.....	300	54	105	8
Pennsylvania.....	378	42	84	31
Oregon.....	258	100	80	11
Total.....	1,209	285	356	62
Per cent of total .....		23.6	29.4	5.1

*Profits that Tenants Receive*

Approximately one farm in every three is rented (37 per cent in 1910, United States census), hence it is important that we know what the tenant farmer is receiving for his work. Unfortunately it is often assumed that all tenants are poor farmers and no credit is given them for the part they play in the agriculture of this country.

From a careful study of over 700 tenant farms, we are forced to conclude that the average tenant is a capable worker, utilizing both land and equipment in an efficient manner. Naturally, not owning the land, we cannot expect him to use the greatest of care in maintaining the fertility. However, it would seem that the fault lies with the farm owner in not caring to give the time and supervision necessary to establish a proper system of rental.

In table III are given the average capital, receipts, expenses and labor income, of 722 tenant farmers found in the same districts as the farmers operating their own land, whose incomes are shown in table I. Tenants working under both share and cash rental systems are included.

Inasmuch as land and buildings constitute from 75 per cent to 90 per cent of the total farm capital, the tenant's investment is necessarily small, there being very few tenants having over \$5,000 in working equipment. Hence the tenant's labor income must be large enough to give him his living, the interest on his investment being a very small item.

TABLE III.—THE AVERAGE CAPITAL, RECEIPTS, EXPENSES AND INCOME OF 722 TENANT FARMERS

State	County	Year	Number of farmers	Average capital	Total receipts	Total expenses	Farm income	Labor income
Indiana.....	{ Clinton	1910	83	1,758	1,335	492	843	755
	{ Tipton							
Illinois.....	{ Cass	1910	71	2,867	2,257	975	1,282	1,139
	{ Menard							
Iowa.....	{ Greene	1910	93	2,667	1,605	755	850	717
	{ Guthrie							
Michigan.....	Lenawee	1911	153	1,562	1,111	450	661	583
Pennsylvania....	Chester	1911	124	2,244	1,929	1,026	903	791
Oregon.....	{ Marion	1911	64	2,047	2,068	940	1,128	1,026
	{ Polk							
*New York.....	Tompkins	1907	134	1,281	814	371	443	379
Average for 722 farms .....				2,061	1,588	715	873	770

\*Bulletin No. 295 Cornell University.

We have seen how a farm owner can make a minus labor income and still live, but the tenant must make wages or he cannot live. The average labor income of the 722 tenants is \$770, a much higher figure than one might expect. In these same studies it is found that the tenant's income is in almost direct proportion to the capital he has invested. This is most encouraging in that a tenant can rise to the position of a farm owner by using his accumulating savings to operate larger farms until he has sufficient funds with which to buy.

A tenant's labor income is influenced by the kind of lease he has. Under normal conditions, those tenants who rent on a cash basis receive better incomes than those renting on a share basis. Under this system, however, the landlord gives less supervision and expects a lower rate of income on his investment. The tenant takes more chances, and in good years has possibilities of an excellent income, while in poor years he may lose everything.

In table IV is given the distribution of the tenants' income for 588 farms in six states. It is noted that 5.6 per cent of them make over \$2,000 as a labor income. One-fourth of them, or 25 per cent, make between \$100 and \$400. Practically none is making a minus labor income.

TABLE IV.—DISTRIBUTION OF LABOR INCOMES, 588 FARMS OPERATED BY TENANTS

States	Number of farmers	Number making minus labor incomes	Number making incomes between \$1 and \$400	Number making incomes over \$2000
Indiana.....	83	9	26	3
Illinois.....	71	0	11	9
Iowa.....	93	3	28	5
Michigan.....	153	3	41	1
Pennsylvania.....	124	2	31	6
Oregon.....	64	1	10	9
Total.....	588	9	147	33
Per cent of total.....		1.5	25	5.6

*Profits that Landlords Receive*

In table V is given the capital, receipts, expenses, and net income for the landlords of the 722 tenant farms given in table III. On the whole, the net returns on investment are low, considering the time and supervision needed. On the other hand, the rise in land values within the last 12 years has given the owners a very substantial profit in it-

TABLE V.—THE AVERAGE CAPITAL, RECEIPTS, EXPENSES AND INCOME OF THE LANDLORDS OF 723 FARMS OPERATED BY TENANTS

State	County	Year	Number of farmers	Average capital	Total receipts	Total expenses	Farm income	Per cent on investment
Indiana.....	Clinton	1910	83	18,423	1,002	351	651	3.53
	Tipton							
Illinois.....	Cass	1910	71	36,479	1,538	213	1,325	3.64
	Menard							
Iowa.....	Greene	1910	93	20,728	1,014	354	660	3.19
	Guthrie							
Michigan.....	Lenawee	1911	153	12,218	856	231	625	5.11
Pennsylvania....	Chester	1911	124	9,785	1,063	349	714	7.30
Oregon.....	Marion	1911	64	24,090	873	259	614	2.6
	Polk							
*New York.....	Tompkins	1907	135	5,242	573	138	435	8.3
Average for 723 farms.....				18,138	989	271	718	4.0

\*Bulletin No. 295 Cornell University.

self. In regions where land values are stationary, we would not expect landlords to be satisfied with an average income of 4 per cent.

From a careful study of all available data, we are led to believe that the farmer is receiving only nominal wages and interest on his capital. In certain years he makes good profits, but adverse weather conditions or low prices in one year will often wipe out the returns of a period of years. Again, the agricultural districts which have been studied are much above the average of the general country so that the income of the ordinary farmer in all probability would be less than that indicated by the data given in the foregoing tables.

The only available data on this point, and which lead us to the same conclusion, are the paper by Professor W. J. Spillman on "The Farmer's Income," issued in Circular No. 132 of the Bureau of Plant Industry, of the United States Department of Agriculture.

These same farm management studies clearly demonstrate a wide difference in the efficiency of farm organization. Certain principles, such as the organization of the farm enterprises to secure the maximum use of labor and uniform good quality of business, are of the utmost importance. Untold possibilities are within the reach of the ordinary farmer through more efficient organization of his entire farm business without any increase in capital or labor. It is in this direction that the farmer can increase his profits, without raising the price of products sold.



## EFFECT OF FARM CREDITS ON INCREASING AGRICULTURAL PRODUCTION AND FARM EFFICIENCY

BY HOMER C. PRICE,

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It is a noteworthy fact that agricultural production in the United States is falling far short of keeping pace with our increase in population. In the decade 1899-1909 the total production of cereals only increased 1.6 per cent while the population increased 21 per cent. The result of this condition has been the rapid falling off of our agricultural exports and the increased price of farm products. During this same decade the value of farm products advanced 80 per cent and notwithstanding the increased price of farm products the average annual value of agricultural exports during the last half of the decade was only \$964,449,000 and during the first half \$874,657,000. When compared with European farming, American agriculture is characterized by its extensiveness and low crop yields. The average crop yields of the leading European nations, except Russia, are at least double the average yields per acre of the same crops in the United States. But on the other hand the average acreage cultivated by the American farmer is much greater than that cultivated by the European farmer so that the production per farmer in American agriculture is far greater than in any of the European nations. The high production per farmer in America is due to the extensive use of labor-saving machinery, our abundance of arable land and its natural fertility. That we have reached our limit of agricultural production under methods practiced in the past is generally admitted. The public lands that are suitable to farming have all been occupied, no revolutionary labor-saving machinery is likely to be invented and future increase of agricultural production must come principally from increased farm production, through increased crop yields, better live stock and more economical and efficient methods of farm management.

*Increased Farm Credit*

Extensive farming is always accompanied by a low investment of capital per acre for equipment and operation. To increase agricultural production on our present area means an increased investment in the equipment and operation of our farms. Increased crop yields are obtained (1) by controlling the water supply, either by drainage or irrigation (depending upon conditions); (2) by increasing the fertility of the land by adding plant food through commercial fertilizers, stable manure or growing and plowing under suitable crops; (3) by improving the physical and chemical conditions of the soil through the application of lime; (4) by deeper and more thorough tillage of the soil; (5) by growing more productive and disease resistant varieties of crops; (6) by controlling insect and fungus enemies of the crop. All of these operations increase the cost of production. If the cost of any one of them does not show a proportional increase in the crop yield the operation is not justified. But as a matter of fact these operations under the right conditions show much more than a proportional return in the crop production. Why then are they not more generally practiced? Primarily because of lack of capital or proper credit facilities for financing the American farmer.

One of the most striking differences between the agriculture of the European countries that are most commonly compared with our own is the rural credit systems. Germany, France, Denmark, Belgium, Holland, Ireland have rural credit systems that have been organized and developed to meet the needs of their farmers. In America we have failed as yet to recognize that the credit need of agriculture is different from other industries. The turnover of capital invested in agriculture is slow. Investments made in permanent improvements such as buildings, fenceings, drainage will not be returned in less than fifteen to twenty years and investments made in farm operations such as growing crops and feeding live stock will not be returned ordinarily in less than a year. Consequently short time loans such as are suitable to mercantile and other industries in which the turnover of capital invested is frequent, are not adapted to the needs of the farmer.

The rates of interest charged on farm loans are another important factor that deter American farmers from utilizing more exten-

sively our present credit facilities. Investigations show that interest rates on farm loans are materially higher than prevail on loans made to other industries on security not as safe as given by the farmer. This is due in part to the fact that farmers have not organized to borrow their credit in large sums but each farmer has negotiated his own loan as best he could and the expense of making and collecting the loan is high. The present system of making farm loans is exceedingly expensive for both lender and borrower and is comparable to our cumbersome and expensive methods in vogue for distributing and marketing farm products.

Farmers can make a comfortable living at present prices of farm products by following farm methods that have prevailed in the past and even though they are convinced that they could make more by practicing improved methods they refuse to borrow capital for this purpose under present conditions. The farmer who has surplus capital is usually a man of years who prefers to loan his money at interest rather than to invest it in his farm. He is past the time of life when he cares to make any radical change in his methods of farming or to invest in slow paying permanent improvements. No industry is harassed more severely with labor troubles than farming; and increased investment in farm operations means an increase in farm labor. The farmer past middle age with a comfortable competence says, "I know I could make more out of my farm if I would invest more in it, but I will leave it to the younger men to take up these new methods. I am too old to begin and farm labor is too scarce."

The fact that farmers are heavy depositors in the banks is often advanced as an argument that there is no need of any change in our rural credit system or any call for more credit in agriculture. The farmers who have deposits on interest are not the men who need the credit neither are they the men who are increasing agricultural production.

The men who need better credit facilities are the young men and middle aged men who have the future before them and are the determining factor in the future development of our agriculture. No kind of credit system will influence the older farmers to materially change their methods.

*Kind of Credit Needed*

Two distinct classes of credit are needed by farmers: First, short time loans that provide working capital for operating the farm. Such capital is spent to pay farm labor, to purchase seed, commercial fertilizers, feeding stuffs and the turnover will probably be at least once a year. Such loans are ordinarily made on personal security or mortgage on personal property of the farmer. In the corn belt and the more prosperous agricultural communities the existing banks furnish this class of credit fairly satisfactorily. But in the Southern States and the less prosperous sections of the North the crop lien system frequently prevails. Under this system the farmer is financed not by the bank but by local merchants who furnish farm supplies on credit charging the highest retail price and interest, taking for their security a mortgage on the growing crop. As soon as the crop is harvested it must be sold to pay off the debt to the merchant. As a consequence the farmer is forced to sell regardless of market conditions. Furthermore the cropping system is fixed and cannot be changed. The merchant knows what he can safely expect from a crop of cotton or a crop of tobacco but he does not know what a crop of alfalfa or a crop of clover will return or what to expect from live stock if a farmer is furnished credit to buy and feed live stock. Such a credit system results in a minimum agricultural production and a constantly decreasing farm efficiency because the constant cropping of the land in crops that are sold depletes the fertility of the farm.

H. E. Esswein of the Ohio College of Agriculture working in the rural life survey of the state in 1912 reports conditions in the white burley tobacco district as follows: "Tobacco growing is partly in the hands of tenant farmers who remain on one farm for short periods of time in many cases for only a year, or for two at the most. So numerous are tenants in some sections that well informed persons say that 90 per cent of the tobacco grown there is done by tenant farmers usually on the shares, one-half of the crop, or one-half of the proceeds of the sales goes to each party. The landlord furnishes his tenant a house, a garden or truck patch, horses or mules, and a few farm implements. Owing to the fact that tobacco is a crop from which one cannot hope to get returns for at least a year from sowing the seed, a system of advancing money to tenant

growers has sprung up. The system is as follows: After putting out his tobacco the grower will come to a storekeeper usually, and tell him that he would like to get an advance on his crops. The storekeeper finds out how much tobacco he has out, and determines what would be a safe loan on the crop. The grower then gives his note at about 8 per cent interest on the crop. The amount of the note is dealt out at the store to the grower and his family, as their needs require. The storekeeper holds the note until the crop is sold or else has it discounted at the bank for 6 per cent, thus enabling him to make 2 per cent on the deal.

"Occasionally some man will take advantage of the one who has advanced him money. After having obtained an advance, and having dealt out the greater part of it, he will leave the locality. The creditor, in order to get his money out of the transaction must hire some one to cultivate the crop for the remainder of the season and harvest it.

"The loss from bad debts usually resulting from a bad crop or low prices also is very considerable. One merchant in an Ohio river town showed the writer twenty notes ranging in amount from \$15 to \$250, totaling close on to \$2,000 against persons to whom his firm had advanced money on their tobacco crop. On some he never expected to realize a cent, and on others only after a long wait until another crop is grown, or else by legal process. He offered to sell the whole lot for fifty cents on the dollar.

"On the tenant's side the system is equally unsatisfactory. It keeps him without money of his own for the greater part of the year. His family and himself are denied the things they ought to have oftentimes when they most need them. Suddenly he comes into possession of money, or at least power to purchase. The tendency now is for him and his family to buy more things than they need. Merchants say that they have to be very watchful along this line, so apt are these people to buy unnecessary articles. People who follow this custom seldom get anything ahead. Hardly ever do they get land of their own. The value of their crop is lived up before it is grown and each succeeding year finds them just where they were before. In some cases, doubtless, they are obliged to pay higher prices for goods than if they had the cash, though as a usual thing merchants claim to sell on credit the same as for cash. A great number of growers look upon the system as quite the proper

thing, and it is a current saying in the region that a tobacco crop will not grow well unless it is mortgaged. . . . The greatest need in the tobacco section next to getting the land into the hands of those who will cultivate it, is to provide some substitute for the ruinous practice of advancing money on the growing crop, alike disastrous to the lender and to the borrower."

Under such conditions the only method of increasing agricultural production is to finance the farmer so that he may follow a rational crop rotation and keep live stock so as to maintain the fertility of his soil.

To the more far seeing the ravages of the cotton boll weevil that have threatened the cotton industry of the South and caused losses of millions of dollars to the cotton growers, are recognized as blessings in disguise because it has forced the farmer to abandon the one crop system and adopt mixed farming, to follow a crop rotation and to keep live stock.

The second class of credit needed by farmers is long time loans for the purchase of land, its permanent improvement and equipment. This class of loans is secured by farm mortgages and the annual returns from the investments are small. Theoretically the borrower should not be required to repay his loan before it can be earned from the investment. The farmer who borrows money and invests it in new farm buildings, in draining his land, or otherwise increasing his farm production, cannot hope, under normal conditions, to recover his original investment in five years. It is more likely that it will take fifteen, twenty or twenty-five years.

The average life of farm machinery is ten years though with good care this period can be greatly extended. But under no circumstances is a farmer likely to recover the original purchase price in less than five years. While the returns from investments in farming are smaller than in most other industries yet they are also more certain. But if our farms are to be developed as they should be and their production increased it is imperative that provision shall be made for farmers to secure credit on terms commensurate with the returns received from their investments.

The modern progressive farmer, although he knows that investments made in improving his farm would greatly increase its production and pay for itself in ten or fifteen years, hesitates to borrow capital when it can be secured only for three or five years, and

often less time, and at the end of that time has to be paid back or renewed with additional expense. He prefers to put in improvements as he can pay for them out of the earnings of his farm and and is robbed of the advantage of the use of credit enjoyed by other industries.

*What a Rural Credit System Should Provide*

Whatever means are taken for establishing an American rural credit system there are a few fundamental things that should be accomplished.

1. Loans on farm mortgages should be made for long periods (not less than fifteen years) with provision that they may be repaid in part or in whole at any time at the convenience of the borrower.

2. Provision should be made for the repayment of the loan by the amortization of the principal, paying installments on the principal with each payment of the interest. This will enable the farmer to pay off his loan from the returns of his investment and the terms should be such that the payments would not be greater than the earnings from the investment.

3. Farm mortgages should be made negotiable and a standard security that will circulate readily. This is done under the German rural credit system through the issuing of mortgage bonds by their land mortgage associations (the *landschaften*). These bonds are secured by the farm mortgages held by the associations and rank with government bonds for security and negotiability.

4. The rate of interest should be as low as the security offered and current rates will justify. It is generally admitted that there is no better security than arable farm land and that no class of borrowers are more certain to pay their obligations than farmers, in other words the risk is exceedingly small. Rendering farm mortgages readily negotiable will result in lowering the rate of interest and with a well organized rural credit system farmers should be able to borrow credit secured by first mortgages on their farms at as low a rate of interest as the largest manufacturing or transportation companies, and even as low as municipalities or states themselves. This has been the result in Germany where the present land mortgage credit system has existed since 1770.

5. Provision for short term loans to furnish working capital should be provided by any adequate rural credit system. For many

sections of the country an adaptation of the Raiffeisen system of Germany will probably furnish the best solution. This system based on the coöperation of borrowers and the joint and unlimited liability of members is suitable for those sections that are now at the mercy of the local merchant and have no credit at banks. Under such conditions nothing less than unlimited liability of members is likely to succeed. It was such conditions in Germany that caused the establishment of the system that bears his name, by Raiffeisen in 1847. In more prosperous sections where local banks fail to furnish the necessary working capital at reasonable rates of interest the Raiffeisen plan may be adopted with the modification of limited liability for members. This is being done throughout the more prosperous agricultural sections of Germany and furnishing farmers with working capital at slightly higher rates of interest than paid for their long time loans. In the province of Saxony, Germany, the average rate of interest paid by farmers for short time loans in their banks, for the past four years has been less than 5 per cent.

Increased farm production and farm efficiency are the direct result of increased investments of capital for the improvement of soil fertility, for improved live stock, for improved farm machinery and for farm labor. There are very few farmers using all the capital that could be used profitably in the operation of their farms. The rate of interest paid by farmers is not as important a consideration as the terms of the loan and the convenience with which it may be secured. There is a widespread sentiment among farmers against going in debt due to the unfavorable terms on which they have been able to borrow and the disastrous results that have often followed. This opposition to borrowing credit is reflected in the popular grange song, entitled "Don't Mortgage the Farm."

The American farmer as yet has not learned to use credit for productive purposes as the European farmer uses it. Neither has American agriculture assumed the permanent form of the European systems. Increased rural credit facilities are fundamental in bringing about these results and the federal and state governments can do no better service for the American farmer and our national welfare than to interest themselves in establishing rural credit systems suitable to American conditions.



## FARM CREDITS THROUGH FARMERS' LOAN ASSOCIATIONS

BY ISAAC ROBERTS,

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As our farmers put in practice permanent and conservative and soil-building methods of agriculture, they will ask and deserve billions of dollars in long-time loans to properly carry out that work, and put agriculture in the United States where it belongs, and is to be: . . . and long-time amortizing mortgage-loan systems must be devised to give such methods of agriculture the credit facilities and rates they will require and deserve.—From an address by Mr. B. F. Harris, before the Indiana Bankers Association at Indianapolis, Ind., October 16, 1912.

Among the many agencies working to bring about improved social conditions, probably none has greater promise of good results than the present movement to make it possible for the American farmer to obtain financial accommodation at moderate rates of interest, as readily and with as little question as the successful manufacturer and merchant can now secure the accommodation they frequently require. It is to the credit of our people, and especially of that class from whom such accommodation is usually sought—the bankers—that they have for some time past been giving more and more attention to this problem. Many have been studying it here at home. Commissions have gone abroad to study foreign methods of extending such credit, and no doubt plans for doing so here will shortly be presented as the subject of legislation, both by the several states as well as by the national legislature.

It may be well to glance at the pressing needs of the American farmer, before discussing the method of meeting them. Listed in the order of their relative importance these may be stated as follows: the farmer has need of credit (cash) for: (1) the maintenance and improvement of the fertility of the soil; (2) making and maintaining good roads, in order to make markets available; (3) improved machinery and farm equipment including auto-wagons; (4) improving farm buildings, with first attention to the home; (5) providing better schools, courses of lectures, with first attention to scientific farming, and for general social uplift.

To many minds it may occur the the last-mentioned need should be in the first place, as the needs of the boys and girls are paramount and education should claim the first attention. But if the farm itself is to remain as a producer, providing the living for the boys and girls, the fertility of the soil must be maintained. Its maintenance and improvement thus become a problem of the greatest importance even for the sake of the boys and girls themselves.

As illustrating the second need, that of good roads, so as to make markets available, the fact may be referred to that farm produce has been allowed to waste in the fields, almost within sight of some of our large cities, because the charge for transportation was so high as to wipe out all the farmer's return for shipping it. Within the past year the writer has seen, within twenty miles of one of our largest cities, a field containing five or six acres in which a thousand fine ripe melons were lying, dead ripe and beginning to rot; and the owner said that he would allow them to lie there, as they would not pay the cost of transportation to the city near at hand. Other instances of the same kind will doubtless occur to the reader.

Surely something can be done, and should be done, to remedy such conditions. It is not complimentary to our intelligence that in our cities such need for food should exist, and that on our farms a few miles away good food should be going to waste. What more damaging charge of inefficiency and incompetence can be brought against us as a people than such facts show? If we are not able to solve so easy an economic problem as getting wasting food to the hungry mouths so near at hand, it would seem as though a vast deal of gray matter had been generously but unwisely given to many.

The agency that has contributed most to the superior farming conditions in Europe is the extension of credit to the farmers at the times when they most need such help. One of the methods most frequently referred to is that adopted in France, and known as the method of the *Crédit Foncier*. This is defined as follows:

The French name for a method of borrowing money on the security of landed property which is widely practiced in France and other continental countries. The borrower takes a loan, for which he contracts to make certain annual payments, which are so adjusted as to make provision for the interest and the gradual extinction of the principal, which is fully paid when the term of the contract has been concluded. The contracts are generally made with companies organized for the purpose of loaning their capital in this manner. —*New International Encyclopedia*, edition of 1905.

*The American Building and Loan Association System*

From the above definition of the work of the *Crédit Foncier*, those who are familiar with the working methods of our own building and loan associations will see how close its methods of work are to those of these associations, which have been so successful and have done so much to help build up our towns and cities, and conserve the savings of the people at slight cost and on a purely coöperative basis, with whose operations so many of our people are familiar. It seems to the writer that by a few slight changes, making them more applicable to the needs of our farmers, these well-known methods might well be adopted by our people as the practical solution of the problem of farm credits.

To those who happen to be unacquainted with the plan adopted by the building and loan association it will be sufficient to say that it contemplates the accumulation of a capital (to be lent at the legal rates of interest to those members of the association desiring to borrow it) by the regular monthly payment of certain fixed monthly dues by all the members. To these monthly dues are added the monthly payments for interest, and fines levied for neglect to make payments when due. The usual dues are one dollar per month per share. The usual maturity value of the stock is \$200 per share, so that the interest per month for each share borrowed on would be one dollar. When the interest is at the rate of 6 per cent, the stock will generally reach its maturity value in about twelve years. The amount paid in at the monthly meetings is usually put up at auction, and the member bidding the most for his loan is awarded the amount desired, subject to the approval of the security offered by a committee appointed for that purpose.

By applying this general plan to the needs of the American farmer we gain the advantage of using a method that is well-known to very many of our people and that is readily understood. Because of this, and because it has demonstrated its usefulness to our people it seems to be an available method, ready for use, and requiring only slight changes to make it fully applicable to the further needs of our farmers.

*Adjustable Difficulties of the Building Association Method*

The chief difficulty in adjusting the usual method of work of the building and loan association arises from the fact that this contemplates the regular monthly payment of dues, and for the average farmer this would be difficult, if not impossible. As a general rule the returns from farming come in or near harvest time; say, in the three fall months of the year; while his need for ready money is concentrated about seed time and in the midst of the harvest, thus distributing his need for money more or less over the other nine months.

It would seem that this difficulty could be readily met by having at least three kinds of stock in the farmers' loan associations, as these organizations might be called, although farmers' building and loan associations would also make a good title. The stock could consist of full-paid stock, upon which interest at not over the legal rate might be allowed; regular stock, to be paid for in the usual way by monthly instalments; and term stock, to be paid for at certain periods, as agreed upon when the stock is at first subscribed for, and the loans made upon this class of stock to be repaid, with interest, also at certain fixed periods.

By arranging for these three kinds of stock, several objects would be attained: In the first place, those subscribing for the full-paid stock would be furnishing at once a considerable capital, which could be lent out on approved real estate security to those who wished to borrow on the other two kinds of stock; and again, the great difficulty in the way of the farmer making regular monthly payments on account of his stock, and in repayment of his loan is removed. It would be an easy matter to so adjust the interest to the terms of payment as to work no injustice to any other interest in the stock. By allowing for the full-paid stock in the manner suggested, it would also be possible for banks and trust companies to take a moderate holding in such associations, provided the national bank act could be so amended as to permit of such a stock holding. This is suggested as being a quick means of providing capital at the beginning of such associations.

One great advantage of the building and loan association method is that the directors are usually the best-known business men of the community, thus inspiring confidence, attracting business, and bring-

ing to the active direction of the association very definite knowledge of most of the members of the association—their habits, responsibility and so forth. In the suggested farmers' associations this would no doubt be the case, and would have great value as safe-guarding the interest of all the members. It would doubtless be a good idea in these associations to have also one or two towns-people among the directors, especially if the monthly meetings should be held, for the sake of convenience in a town. And if, now and then, a bank director or two could be added to the board, additional strength would result. In most country towns it usually happens that several of the directors of the local bank are farmers, and this has always a good effect. The reverse of this would no doubt prove to be of as great value to the proposed associations.

As an illustration of the possibilities of this plan of adjustment of building and loan association methods to the present needs of our farmers, the experience may be cited of one of these latter associations located in south-eastern Pennsylvania, in a farming community, holding its monthly meetings in the school-house of a small village. Organized about three years ago, on the usual building and loan association plan, its monthly receipts now are in excess of \$1,000 each month, its loans have been made almost exclusively upon farm properties, and there is a constant demand for the available funds, so that the earnings the past two years have been in excess of six per cent per year. While the loans have heretofore been used for the purpose of erecting farm buildings, or in part-payment for properties purchased, there can be no good reason why the farmer-borrower should not use his borrowed money for any legitimate purpose, just as other borrowers do, provided that he gives approved real estate security for his loan.

A very great advantage of the building and loan association plan is that it provides a safe local place for the investment of the savings of those working on the farm. If the farmer pays his children for little services, as often happens, or if he has hired help, as is frequently inevitable, here will be a safe saving fund, into which a part of these amounts may be invested, thus increasing the fund available for the farmers of the neighborhood when they need it. "Self-help through mutual help" is, as Sir Horace Plunkett has well said in a recent article, the sure method by which financial and social well-being is to come to the American farmer, just as it has come in this way to his cousins abroad.

*Possible Methods of Raising Funds*

Even under existing conditions, and without any change in the present banking laws, it would still be possible for such loan associations to raise the needed funds, if certain emergencies should make this desirable. Many building and loan associations find it frequently desirable to make short time loans at banks and trust companies, so as to have funds in hand and be able to take good mortgage loans, which otherwise they would be compelled to refuse. These loans are usually made on the plain promissory note of the association, after having been duly authorized by the action of the board, which is certified to the bank making the loan. Some years ago it was the custom in certain places for such loans to be secured as collateral loans by the assignment of mortgages held by the associations, but such loans have been questioned, inasmuch as the associations do not possess a full title to the mortgages they take from their members—the members retaining the right of redemption, which is being continually exercised; so that of recent years such loans have usually been made alone on the credit of the borrowing association, and this would seem to be the better practice.

Another method by which funds could be readily raised when this course appears fully advisable in order to accommodate a worthy member and borrower, who could not be otherwise accommodated, would be for two or three of the directors who approve of the loan, to themselves subscribe for enough full-paid stock to make the loan, and then make themselves whole by using this full-paid stock as collateral at the local bank or trust company for a loan in their own names. This course would scarcely ever be pursued, except where the borrowing member was wellknown, and it was the general desire to accommodate him: but such a contingency might happen now and then, and the plan is suggested to show that present laws and banking usage make the raising of money possible, without additional legislation—although the latter might make it more easy for farm credits to be secured. As a feasible means of extending such loans, by the adaptation of methods already well known, the above plan is suggested.

## ADVERTISING AS AN AID TO DIRECT SELLING

BY J. CLYDE MARQUIS,

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The principal problem in the inauguration of direct selling by producer to consumer is to get the right producer into communication with the right consumer. Direct selling involves a change of habit and business methods on the part of those new to the system, and those who as customers will be most successful in this method of marketing must be sought out by the producer. Advertising offers a solution, though only a partial solution, to this problem at present.

In the simplest form of direct selling, viz., over the counter, such as is practiced in the public market where growers of vegetables and fruits or producers of other foodstuffs meet their customers personally, the problem is simple. It is merely one of general advertising to attract the attention of the buyers of the households with simple means of advertising the products in the stalls at the markets.

In this connection we have some good examples to prove the efficiency of newspaper advertising. There are a number of cities in which public market houses have proved very successful in recent years due to the publicity given their plans in the news columns of the local newspapers. Space has sometimes been purchased by the market house management or by the owners of certain stalls. Usually, however, the dealers or jobbers and not the real producers or farmers have used such methods to attract customers to their particular stalls. Farmers have not been brought to realize the efficiency of the advertisement since they have either depended upon attracting the general trade or have sold their produce to a middleman who operates a stall with a purchased stock of produce. Few farmers care to take the time or trouble to learn to be good salesmen and in almost every public market, municipal or private, the proportion of farmers, perhaps high at the outset, has quickly dwindled until they constitute but a small per cent of the total number of stall holders. This fact has been one of the principal arguments used against the widespread adoption of the municipal market idea.

If it be true that the producer is loath to become a salesman of

his own product, how then is the consumer to be enabled to buy direct from the producer and thus save the excessive cost of handling! The answer seems to lie in direct consigning or shipping direct from the farm to the kitchen of the consumer. There is nothing new about this as a method except that it has never been extensively followed. It has not been followed because our system has been to ship in relatively large lots to a point near the place of consumption and then the produce is assorted into smaller lots which are sent to retailers who deliver to the consumer the amounts desired. Direct selling involves a change in this system in that the division must be made at the farm into lots according to the demands of the individual consumers.

This change involves a greater reorganization than may at first be apparent since it eliminates the dealer, jobber and retailer and places several of their duties upon the producer. He becomes his own distributor; he must seek his own customers, learn their needs, supply them; be his own shipping agent and collector. He must be able to judge customers for credit and be able to so price his goods as to meet all changes in the local retail market to hold his customers against the strong competition of the local retail store. To do all this is considerable of a contract. The competition of the retailer as the latter is organized at present is going to be a serious handicap in the development of direct selling for some time to come. The retailer has service, considered in the sense of convenience to offer. He is handy to the consumer, he will sell in any quantity on short notice, delivery is prompt, he will extend credit and is striving to please, coming into direct contact with the consumer or at least into easy communication by the telephone he can easily make his services appear to offset the advantages of buying direct.

Advertising does not guarantee results to anyone. Along with good advertising must go good distribution, maintenance of quality and more important than all else to the average buyer, a saving in the cost of the product. If the success of direct selling depended alone upon the improvement of the facilities of transportation then we would have seen a great growth in the use of the parcel post as a means of shipping foodstuffs. Such a growth has not occurred for the simple reason that low cost of shipping in small lots alone is not a solution to the problems of direct selling. Even with the aid of advertising there have been no rapid developments of such trade.



The functions of advertising can be shown best by brief studies of the trade in each of a number of special products. Eggs are most commonly mentioned as the food product which should be sold direct. The egg is sold exactly in the form in which it is produced. No preparation for market is needed; it is most appreciated when very fresh from the nest; it does not require refrigeration for short hauls and is a relatively light product, with a well established market value according to age.

Customers for eggs may be found by advertising in the newspapers or through printed matter mailed direct. The campaign must be one of education rather than general selling arguments, since to buy eggs direct is as yet a new thing. Such a campaign is expensive and requires a relatively large output to justify it. Shipping small lots of eggs by parcel post or express is as yet largely experimental since few containers are efficient and none can guarantee safe delivery at all times for the simple reason that some eggs are thin-shelled and break with the slightest jar. The local grocer can quickly replace a smashed dozen but the producer cannot replace them so soon. The advertiser of eggs must educate his customers to see the wisdom of buying in sufficiently large lots to justify safe packing. He must show the advantages of two or more families combining to take a consignment so as to be able to use them promptly and avoid possible waste. The consumers must be made to realize that an egg is a very perishable product and always subject to damage in transit, hence they must be considerate in case of accidents. Through advertising the real advantages of buying direct may be impressed upon the consumer who has his own assumptions regarding what he should expect. It is as such an educational aid that advertising will be of the greatest value to the seller of eggs. But it is to be regretted that the producer must pay all the cost of this campaign and the consumer is the one who will chiefly be benefited in the end.

If the egg producer is to have a system of direct delivery the problem is greatly simplified. Then he needs concentrated advertising in a given locality which will secure him many customers near together which will justify the cost of a house-to-house delivery.

In one project of this kind in New York City the manager claims that it costs about three cents a dozen to hold his trade; he has to contend with breakage, bad debts, removals and a dozen other difficulties, each petty in itself but making an amazing total. The

cost to the customer must be increased with the frequency of delivery—another fact which must be impressed upon the consumer through advertising. The total cost of retailing in the instance cited is about eight cents a dozen.

Passing to a food product that is standard yet sold only direct in a few cases except in the small towns, let us consider butter. The farm dairy is a thing of the past. The bulk of the butter now used in cities is produced in creameries where expert buttermakers using modern machinery can turn out a uniform, high grade product at less cost per pound than the small dairy. Here the delivery problem becomes more serious than ever. Butter must be kept solid. During most of the year it cannot be handled in the ordinary temperatures of living rooms. No system of shipping butter successfully in small lots by parcel post has yet been devised. It must be delivered promptly and cold. In this regard it is similar to eggs and its sale direct involves a system of delivery. But with butter, as with eggs, a campaign of advertising to show the advantages of several families coöperating in the purchase of a quantity which may be shipped in well protected cases or tubs offers promise of success. We have purposely considered eggs and butter first because they illustrate the fundamental difficulties which advertising may be used to meet. Other perishable foodstuffs as meat, fresh vegetables and fruit offer similar problems.

Where the producer has a variety of products, either fruits or vegetables, such as are needed for current consumption by the average family, the hamper system gives promise to become quite generally successful. Here the direct appeal for customers for a hamper, once, twice or oftener a week, will bring prompt and profitable returns. A postal order can be mailed for each hamper desired and the value of the consignment will easily justify the cost. There are a number of very successful examples of trade of this sort that are prospering. In one instance the newspaper advertisement contained a list with quantities specified of the vegetables contained in a two dollar hamper. These were shipped upon receipt of a mail order either for cash in advance or C.O.D. The grower in this instance reports but few losses and general satisfaction with the system. Enough regular customers were soon secured to render further advertising unnecessary.

There are certain staples which have been regarded as having so little margin of profit that direct selling has seldom been attempted

outside of the public markets, viz., apples, potatoes, onions, etc. Strangely enough, it has been with these products that some of the most interesting recent experiments have been made.

The advent of the apple box and its rapid growth in favor as a package for this fruit led some growers to try advertising as a means of securing customers for small shipments sent direct from orchard to kitchen. Only a season or two ago there appeared the first advertisement of boxed apples in a weekly magazine of general circulation. It called attention to the quality of the product and offered quantities suited to the average family at moderate prices, also definitely stated. The result was an immediate response and the sale of a large crop in small lots shipped direct to the consumer. The collections, C.O.D., were satisfactory and many customers were assured for succeeding crops. In this case the buyers accepted the offer upon face value depending wholly upon the integrity of the advertiser.

In another case the apple grower began by offering, through an advertising booklet, to ship a bushel hamper of apples to anyone upon receipt of \$1.50 with the guarantee to return the money to anyone not satisfied with the fruit. The second season of the experiment this grower offered to send a bushel hamper fully prepaid upon receipt of an order. If, upon examination they proved to be satisfactory the party receiving them was to send \$1.50; otherwise to return the shipment at the grower's expense. This plan brought orders for more than the crop to be sold and with the remarkable result that not a dollar was lost due to the failure of the consumer to pay. Certainly a striking testimonial to the square-deal sense of the average householder!

An attempt to sell onions direct to the consumer by a Texas producers' organization resulted in a very unsatisfactory season. While the advertising in general magazines was effective in bringing inquiries it was found that the prices which could be got for this staple did not justify the additional cost of shipping in small lots.

A firm in the Northwest has tried selling selected potatoes packed in boxes direct to high class trade with only partial success. The general consumer is not yet sufficiently appreciative of the difference in quality between ordinary market stock and selected varieties suitable for baking, salads or other special purposes.

There is opportunity for the development of a trade in family consignments or quantities sufficient for a winter's supply—apples by the barrel, potatoes in lots of five, ten and twenty bushels. Many

producers are developing trade of this character in small towns. A producer with a large crop would unquestionably be able to use the newspapers to advantage in discovering new customers. This trade must be localized and is not susceptible to national advertising as is the case with manufactured products for the simple reason that the supply cannot be increased to meet an increased demand until another season comes around. In the meantime the disappointed customers have gone elsewhere for their supplies.

This argument is supported by but few concrete experiences for the simple reason that advertising has not been given a fair test as an aid to direct selling. Most of the cases cited were merely experiments. I know of no enterprise planned and promoted with a serious consideration of advertising as an asset. But there can be no doubt that as a means of bringing the right consumer into touch with the right producer advertising will play a much more important rôle in the future than it has in the past.

The use of advertising as a means of promoting direct selling involves several fundamental changes in the common practices of the trade. Others will also undoubtedly be added, but these are now most frequently cited by those studying the question:

1. Buying in larger quantities; the consignments must be increased in size to gain the economy in shipping and in distribution.

2. Recognized standards of quality; these are essential as a basis for price quotations and as a means of reducing misunderstandings between the producer and consumer.

3. Improved systems of C.O.D. collections and credit accounting. Producers dislike credit accounts and most consumers are as yet unused to paying cash. Some system of credits is needed to meet the service argument of the local retailer who offers almost unlimited credit.

## GRAIN GROWERS REDUCE COST OF DISTRIBUTION

BY W. M. STICKNEY,

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This article is a sketch of what the grain growers in the middle West have accomplished during the last ten years through coöperation and organization. To be a little more explicit, it is the purpose of the writer to tell how these producers have reduced the cost of distribution at least \$25,000,000 annually, and briefly to detail the struggle necessary to place them in a position to effect this saving.

Coöperation as a word or term is much abused. Demagogues have learned its power, and are using it in various ways to deceive the people for the purpose of financial gain. This practice has become so vicious that the Wisconsin legislature recently enacted a law prohibiting corporations from using the word "coöperative" in connection with their business unless that business was conducted in accordance with the coöperative incorporation law of the state.

It would be impossible, however, to describe the marvelous economic movement among the producers of the middle West if I were confined to those organizations which are strictly coöperative. Nearly all of the associations which I shall mention are stock companies incorporated under the regular incorporation laws of the states in which they are located. Two or three states only, where there are a considerable number of farmers' grain organizations, have a coöperative incorporation law. In the other states a few farmers' elevator companies are conducting their business on a coöperative basis, but are doing so through a "gentlemen's agreement" or by contract, and this is neither businesslike nor safe. It is necessary, therefore, that the great majority still use the capitalistic form of incorporation or stay out of business. Efforts were made two years ago to enact a coöperative incorporation law in Illinois, but it failed on account of the large number of old school politicians who still inhabit the legislature of this commonwealth. But the people are slowly awakening, and the time is near at hand when every state will have a coöperative law similar to the one which Wisconsin passed in 1912, or which Indiana, Washington and New York enacted a few months ago.

A farmers' coöperative elevator company is an organization of farmers usually having from 75 to 300 stockholders. It is incorporated under the laws of the state where located and generally capitalized at from \$5000 to \$25,000. The shares of stock are placed at either \$25, \$50 or \$100, and there is usually an agreement limiting the number which one person may own. It is organized for the purpose of handling grain and other commodities such as coal, lumber and building material. An elevator is either bought or built and a manager is placed in charge. One of these companies not long ago used the following language in setting forth the purposes of its organization, language that in a measure applies to all: "To buy and sell on the basis of truth, justice and economy—to transact any and all lawful business for the mutual benefit of its members and patrons—to extend equal opportunity to every man and woman within trading distance, and to gradually create conditions more favorable to the every day practice of the Golden Rule."

When or where the first farmers' grain elevator company was organized I cannot say. Whether it failed or succeeded is of little consequence. In 1902 there were not over 25 such companies in Illinois. The grain trade of the state at that time was largely dominated by a combination of country grain buyers called the Illinois Grain Dealers' Association. This organization, together with those of like nature in other states, was then powerful enough to dictate in a way to quite a percentage of the grain commission merchants at such terminal centers as St. Louis, Peoria, Chicago and Milwaukee.

In the fall of 1902 some one connected with the Illinois Grain Dealers' Association conceived the idea of putting the 25 Illinois farmer grain companies out of business. Many of the grain receivers at the terminal centers mentioned were induced by certain persuasive methods to refuse to handle the business of farmer grain companies, and many of these coöperative organizations suddenly found themselves without a market for their grain. The managers and officers of the farmer companies were soon convinced that a mighty struggle was on. They were in doubt as to how to proceed or just what to do. It was finally decided to call a meeting composed of delegates from all the farmer grain companies in Illinois to be held at Springfield, February 19, 1903. About 35 delegates, representing 20 companies, attended this conference. The Farmers' Grain Dealers Association of Illinois was organized. The launching

of the state association was a signal for quick and united action among the farmers of Illinois. The struggle was on. It was a fight of the grain growers for an open market upon one hand, and the organized country grain dealers, behind which were arrayed the larger commercial interests, upon the other. No quarter was asked or given. The time had come when it was to be determined whether this was a land of the square deal, or whether blacklisters and boycotters could close the channels of trade through methods not only vicious, but in a measure criminal.

Time and space will not permit me to go into detail. Today there are about 300 prosperous and enterprising coöperative grain companies in Illinois, and from 20 to 30 new organizations are being formed every year. Every commission merchant and grain receiver is now vigorously and prayerfully soliciting the shipments of farmer elevator companies. The markets of the world are now open, and apparently everybody is posing as "the farmer's friend."

The financial gain to the producers through these organizations has been enormous. Illinois raises on an average of 500,000,000 bushels of grain each year, and probably sells about 300,000,000 bushels. Conservative men estimate that this movement among the farmers of Illinois, commencing in 1902, has been the means of raising the price of grain at least three cents per bushel over the entire state—that is, the farmer is receiving three cents per bushel more for his grain than he would if there were no coöperative elevator companies in the state. And 3 cents per bushel on 300,000,000 bushels of grain means that \$9,000,000 are left in the pockets of the Illinois farmers that otherwise would be squandered or locked in the coffers of a few large grain concerns. These figures do not include the profits on the coal handled by the farmer companies, and it is said the retail price of this article has been reduced from 50 cents to \$1 per ton. Many of them handle lumber, and the prices of this commodity have been reduced from \$2 to \$10 per thousand. Many handle building materials, and there has been a substantial reduction in the prices of these commodities.

And this is not all the story. A permanent advance of 3 cents per bushel in grain to the farmer means that at least \$5 is added to the value of every acre of land where these conditions obtain. It means added value to every item of property of every kind in every community where there is a coöperative grain company. No one

can safely estimate and but few can comprehend the enormous benefits that have been derived from this coöperative movement among the farmers of Illinois and other grain belt states during the last ten years.

Over the river in Iowa the real struggle began in 1904. There were then less than 30 coöperative elevator companies in that state, and these were scattered from river to river. No effort had ever been made to bring them into a state association for protection and mutual benefit. Line elevator systems, through the Iowa Grain Dealers' Association, controlled the grain trade of the state. By a line elevator system I mean where one company or one corporation owns and operates a large number of country elevators, and there were several of these systems with more than 100 elevators each doing business in Iowa along the different railway lines. They set the price on every bushel of grain hauled over elevator scales, and dictated what every dealer should pay to the farmer. These line elevators handled coal, many of them lumber and building material, and therefore they had the backing of the coal trust, the lumber combine, the meat trust, the railroads and other like interests.

The Iowa Grain Dealers' Association was the "watch dog" and the champion for all these different combinations and did its duty well. Whenever a farmers' elevator company shipped a carload of grain, somehow and in some way the Iowa Grain Dealers' Association got the information and the car number. It was traced to the terminal center to which it was billed, and the commission merchant to whom it was consigned was immediately notified not to sell the grain under penalty of boycott by all the "regular" dealers of the state. The same tactics were employed if a farmers' elevator company bought a carload of coal, lumber, salt, or other commodities. It was the business of the Iowa Grain Dealers' Association at that time to terrorize every man or firm that did business with a farmers' elevator company.

But in 1904 one or two men from Illinois ventured over the river into Iowa and assisted the few coöperative companies in business at that time to form an organization called the Farmers' Grain Dealers Association of Iowa. And then the fight was on—the fight for an open market and a square deal. The struggle never ceased until the producers emerged triumphant from the conflict. Iowa today has over 300 prosperous coöperative elevator companies, and the number



is constantly increasing. The Iowa Grain Dealers' Association has passed into history, disgraced by its plundering tactics and illicit relations to the grain trust, the coal trust and other like combinations, all of which have been driven to cover by an awakened public conscience and the decisions of the courts.

The story of Iowa and Illinois is the story of Nebraska, South Dakota, Minnesota, North Dakota and Kansas. Nebraska now has something over 200 coöperative farmer elevator companies, South Dakota about 225, Minnesota 290, North Dakota 275 and Kansas about 150. All have state associations, and all are working hand in hand for a greater measure of coöperation. The purpose of these state organizations as set forth in their by-laws is

to advance the commercial interests of the coöperative organizations engaged in the handling of grain; inculcate just and equitable principles of trade; acquire, preserve and disseminate valuable business information; and to encourage frequent intercourse and consultation among their members for the promotion of their common interests.

There are also numerous farmer coöperative grain companies scattered over Indiana, Ohio, Michigan, Wisconsin, Oregon, Oklahoma and Missouri. All told there are said to be over 2400 of these organizations in the United States, with at least 275,000 stockholders. This great industrial army is growing larger every year, for the farmers have come to know that ability to combine among themselves is their only means of protection from the highly organized interests that surround them on every side.

Careful men estimate that the grain growers of the middle West are receiving a profit of at least \$50,000,000 each year, due entirely to their organizations, that is, they are receiving enough more for their grain and buying their coal, lumber and other farm supplies enough cheaper to equal this amount. Say it is but \$25,000,000 and still you have an enormous sum.

But by far a greater benefit than the monetary side has come to the people of the grain belt states. Everybody is becoming a student of coöperation. And coöperation, as we know it out here, is a topic that overshadows all other questions. To us it is the doctrine of helping one another, working together. We think this spirit is of vastly more benefit than the twenty-five or fifty millions of dollars. To be sure, the financial must go hand in hand with that larger benefit,

but somehow and in some way a very wonderful change has come about.

The scope of the great work which these state organizations have done and are still doing is best illustrated in the following extract from one of the letters sent out three years ago by the secretary of the Farmers' Grain Dealers Association of Illinois to its members. He said:

As an association we are a part of a great conflict, and have been since its organization in the morning of the twentieth century when the real struggle for reform in America began. Many of the ideas advanced and the principles advocated by this organization have already, wholly or in part, been worked into laws, either state or national. The demands of the future will be even greater than those of the past. It is for us to help solve the problems of progress or fall by the wayside as weaklings unfit for the duties of the hour.

This Association stands—

For the broader spirit of coöperation which is coming to be the basis of business development and progress;

For better general conditions in the buying and forwarding of grain;

For more scientific and economic methods of handling grain both at country stations and terminal points;

For a closer business relationship between producer and consumer, whereby distribution may be simplified and cheapened;

For a scientific agriculture based on workable theories and actual facts;

For a thorough elimination of gambling in the foodstuffs of a nation;

For a reciprocal demurrage law, either state or national, that will be just to both the carriers and the public;

For distribution of cars between shippers at a station in the same proportion when cars are scarce that they are used when plentiful;

For a system of transportation efficient and business-like, but not operated for the purpose of making multimillionaires, and which develops into a joke when there is anything to transport;

For a system of federal grain inspection under civil service rules, absolutely divorced from political machinery of any kind or sort;

For an Interstate Commerce Commission large enough, able enough and with sufficient power to be both a commerce court and a court of last resort;

For a strict enforcement of the laws as they stand, without exception and without favor;

And for the self-evident proposition that to do away with evil in the state it is first necessary to do away with the conditions that produce evil.

And last of all, this and other like associations should stand for every principle of right and progress that will make better, cleaner and saner conditions in both civic and industrial life. To accomplish even a little we must be highly organized with every loyal citizen willing to do his part as a soldier in the army of the common good.

Many of the reforms mentioned will be fought by the men who fatten on the abuses we are trying to correct. And so we urge you to go out and preach this gospel of a greater coöperation in order that all the people may know the truth and join us in that larger field of usefulness into which we are about to enter. Hard work is necessary. There is no such thing as a comfortable reform. A little sacrifice is the price of putting righteousness in the place of wrong. But it is worth the price.

The annual convention of each state Farmers' Grain Dealers Association is held during the winter months. Every farmer, every man connected with local companies, and everyone interested in the principles of coöperation is invited and urged to attend. Printed programs are arranged and distributed over the state weeks before the convention meets. The best speakers that can be secured are engaged to deliver addresses on seeds, soils, grain raising and marketing, intensive farming, and on every topic pertaining to coöperative advancement. These conventions are usually in session for two or three days, and the attendance often reaches the 2000 mark.

At the annual stockholders' meeting of these local companies a speaker is usually secured to address the farmers on coöperative marketing and the science of agriculture. If these meetings happen to be held in the winter an indoor picnic dinner is often served in the town hall by the farmers' wives. The business session of the corporation is held in the forenoon, and after dinner there is generally a program of music, recitations and addresses. During the summer and early fall hundreds of "farmer elevator picnics" are held. The programs consist of games, music, and addresses on the topics most interesting to the family on the farm.

It is these thousands of gatherings every year, together with the business experience acquired in conducting the affairs of a corporation that are making the farmer a leader in the progress of the West. In fact, so progressive has he become that he now owns his own trade paper, the *American Coöperative Journal*, which is the official organ of the farmers' movement in all the grain belt states.

The future of agriculture in America depends largely on the future of this social and economic movement. No intelligent man would think of belittling the great work of our agricultural colleges and experimental stations. They have performed a marvelous service to mankind, and yet this coöperative movement among the grain growers of the North, the fruit growers of the West, and the cot-

ton planters of the South, has done more to make agriculture a science and a profession than all other forces combined. Theodore Roosevelt recognized the importance of this work when on May 31, 1907, speaking at Lansing, Mich., on the fiftieth anniversary of the founding of the first agricultural college in the United States, he said: "A vast field is open for work by coöperative associations of farmers in dealing with the relations of the farm to transportation and to the distribution and manufacture of raw materials. It is only through such combinations that American farmers can develop to the full their social and economic power."

Here, however, is the lesson of the hour. The enormous profits received by the producers as a direct result of their coöperative efforts have not raised the prices of farm products one iota to the consumer. These farmer organizations have lowered the price of every commodity which they handle for home consumption, and they have done this by cutting the cost of distribution. The producers have so far done their part in the readjustment of economic conditions. They cannot, however, do for the consumer what he must do for himself. Coöperative organizations—fruit growers, creameries, cheese factories, potato raisers, grain growers and vegetable growers—are waiting and ready to do business direct with coöperative organizations of consumers. Therefore, Mr. Consumer, in the parlance of the street, "*It is up to you.*"

And so the tide of progress moves on and broadens in its scope. Coöperation in America is still in the kindergarten stage. The coming generation will see unfold that greater development which we now can only picture. It is our duty to prepare the soil for the harvest in the years to come, and "shame and disgrace will be ours if in our eyes the light of high resolve is dimmed, if we trail in the dust the golden hopes of men."

## THE MONMOUTH COUNTY FARMERS' EXCHANGE

BY JOSEPH H. WILLITS,

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Seven years ago some farmer-grangers of Monmouth County, New Jersey—one of the greatest potato producing counties in the United States—rose in rebellion, because, as they later figured it out, they were getting just 41 cents of every dollar the consumer paid for their potatoes. The other 59 cents went to feed and pay the captains and privates in the great army of middlemen that stretched away from the farmer's front gate to the consumer's back door. The expensive system of reaching the consumer, as then practiced in New Jersey, was as follows: The farmer delivered his potatoes to the local buyer at, say, \$1.60 per barrel. This local buyer sold them to a jobber in New York at about 10 cents a barrel in advance. This jobber sold them to a second jobber in Chicago, Cincinnati, or some other city—at an advance of 10 cents or 15 cents a barrel. This second jobber then sold them to a commission merchant in his own town, or one nearby at another advance of 10 cents or 15 cents a barrel. The commission merchant next sold them to the retail grocer at another small advance, and the retail grocer tacked on another 25 per cent to 50 per cent advance before he sold them to the consumer. When to this was added the freight of perhaps 50 cents a barrel, the consumer actually paid over \$3.50 for the same barrel of potatoes for which the farmer got \$1.60. Five sets of dealers handled them and everyone who touched them increased their cost to the consumer without any benefit to the farmer. The farmer had the 41 cents and the consumer had paid his dollar: the system had the other 59 cents.

So the farmer grangers went gunning for that 59 cents. After two years' investigation and agitation among the "doubting Thomases" of the neighborhood, these farmers decided to market their own potatoes. The Monmouth County Farmers' Exchange was chartered on March 3, 1908. The members, i.e., the stockholders, elected fifteen directors who were to choose annually all the officers and employees and be responsible for the successful running of the

exchange. The board of directors chose Mr. W. H. Ingling, formerly a local dealer and buyer, as general manager, and put the active control and responsibility of the entire exchange in his hands. The exchange then opened stations along the Pennsylvania Railroad and the Central Railroad of New Jersey. At each one of these shipping stations they selected some one—some man from the neighborhood, a farmer, a farmer's son, or even a veterinarian—as local agent to receive the potatoes that the members bring in to be sold through the exchange. This agent, whose salary is three cents per barrel handled, inspects and grades them (two grades only). Each day he reports to the central office at Freehold the amount and grade of potatoes brought in by each member, and the number of cars there are for shipment from that station. Meanwhile, the brokers whom the exchange appointed as agents in all towns of any size in the eastern half of the United States, are reporting by wire to the central office prices on potatoes in carload lots in their respective towns. In this way Mr. Ingling gets a snapshot of the market prices for potatoes all over the eastern half of the United States. It then becomes a simple matter of making the contracts in cities where the best price is offered. Mr. Ingling then orders the local agents at the shipping stations to bill the potatoes that have been loaded that day direct to firms in the purchasing cities.

*way in  
a shipping*

In the old days, these potatoes would have had to move first to New York and the jobber there would have collected his 15 cents a barrel toll. Now the potatoes, moving direct, skip the New York jobber; and the 15 cents a barrel that he used to collect goes to the exchange. Sometimes the perfect system of agents enables the exchange to deal directly with commission merchants in various towns and thus to avoid as well the jobber of those towns and his 10 or 15 cents a barrel toll. In short, the exchange succeeds in reducing the expense of the journey from the farmer's front gate to the consumer's back door by from 15 to 30 cents a barrel, and gets part of the 59 cents it was after. The cheapness of this direct means of reaching the consumer has forced other local buyers of potatoes to adopt the exchange's method, and omit the New York jobber.

At the end of each day, the prices received for all of each grade of potatoes sold by the exchange are averaged and each farmer on the following day receives his check at the average price.

But the value of the exchange does not stop simply with saving

on the cost of marketing. In the old days, nearly all the Monmouth County potatoes were first dumped into New York City. No matter if the potatoes were later reshipped, they were first dumped into New York, and the farmer got New York prices no matter whether they were higher or lower than those of other cities. Now, instead of being subject to the price bondage of one town, Monmouth County farmers choose the best prices each day current in the United States. Before this was the case, a drop in prices was the signal for every farmer to turn the whole family into the potato field to hustle the crop into the market before the bottom went out. Result: the bottom was forced out in a hurry and the farmers received and continued to receive for some time, the prices that go with a glutted market. In this state of affairs, it was not unusual for prices to vary as much as 90 cents a barrel in a season. Now, with the exchange always sending potatoes where they are most needed, a strain on any one market is not apt to occur. If a general glut does threaten the market, the exchange farmer, at the instance of the exchange, backs his potato digger under the shed and leaves his potatoes in the ground. Other buyers follow the exchange's advice and stop buying. With the pressure off, prices quickly rise again. So effective is this steadying influence of the exchange on prices, that it is rare now for the prices received for Monmouth County potatoes to vary more than 20 cents a barrel in a season. Formerly a variation of 20 cents a day was not uncommon.

Of course, all these benefits are benefits primarily for the farmer. The Monmouth County Association scarcely affects the price the consumer pays for the potatoes at all. Why should not the saving go to the farmer? He made the saving. It is not the farmer's fault that the consumer does not stop to reason out his share in the factors that produce "the high cost of living;" does not realize the need for a coöperative association of his own. Through such a consumers' coöperative association, he could deal directly with the Monmouth County Exchange, saving the tolls which now go to the pockets of the commission merchants and the retail grocer. It is not the farmer's fault that the consumer will not open his eyes to the fact that the commission merchant and the retail grocer have been getting the largest slice, over half in fact, of the 59 cents distribution cost. The consumer is too busy blaming the farmer for the high cost of living. It is not the high cost of living from which he is suffering, but the high cost of stupid living.

*-saving  
avoidance  
of  
dumping  
New York*

As a matter of fact, the farmers of Monmouth County are today showing the consumer how a consumers' coöperative society should be run. They were tired of buying fertilizer from companies whose watered stock and expensive sales departments added just so much to the price without any extra value to the fertilizer. So the exchange, although still primarily a selling agent, has turned buyer, and now annually buys and mixes for its members over \$125,000 worth of fertilizer for its three plants—Freehold, Marlboro and Hightstown.

Although the Monmouth County potato is responsible for the existence of the Monmouth County Exchange, the business of the association does not now stop with the business of the potato and fertilizer, but includes any minor buying or selling which will be of value to the members. The exchange sells his hay, his rye, his corn, or his asparagus; it buys his paris green and his lime and it scours Maine and New York for seed potatoes free from scab and rot.

The exchange has grown until it now has 30 shipping stations scattered through an area 50 miles long and 8 miles wide along the Pennsylvania Railroad and the Central Railroad of New Jersey. Its capital stock is now over \$75,000. The 1,250 members, including half of the farmers of Monmouth County, represent the best citizens of the community. Today the farmers who are non-members are apt to be the type of man who comes to the church fair in a collarless shirt and a grouch. The members come in automobiles and are on the committee in charge. Many, even of the non-members, admit that the exchange is a good thing for the community. Membership has become such a privilege that now the exchange will sell only one share to one person. The annual business amounts to a little over \$1,000,000. A surplus of \$26,000 has been piled up in four years of business; during which time the exchange, in marketing potatoes, has charged rates varying from 5 per cent on \$1.50 when potatoes were \$1.50 a barrel or less, to 5 per cent on \$2 when they brought \$2 or over. The directors expect to let this accumulate until it will be unnecessary for the exchange to borrow during the winter on the personal note of the directors in order to carry through the fertilizer business. After that, as fast as the surplus accumulates, it will be divided among the members in proportion to the amount of business they bring to the exchange.



An institution that markets cheaply by marketing directly, that gets top prices and averts glut by distributing the produce where it is needed, that buys better fertilizer for the farmer than he can buy for himself, that has yet to be accused of dishonesty—in short, an institution whose efficiency profits the farmer rather than the consumer—such is the Monmouth County Farmers' Exchange.

# X THE COÖPERATIVE LAMB CLUB AS AN AGENCY FOR LOWER MARKETING COSTS

BY D. H. DOANE,

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## *The Marketing of Lambs is on an Unsatisfactory Basis*

Raisers of spring lambs throughout the middle West or Mississippi Valley frequently complain of unsatisfactory market conditions. There are several contributing factors to this existing condition. One is the not unusual and constant fluctuations of market prices. Another is the very uneven condition of the lambs, and a third is the fact that most of the lambs raised in the region mentioned are raised by farmers who own small flocks. The constant market fluctuations make country buyers afraid to make bids to the farmers, except on large margins; the un-uniform condition of the lambs makes the buyer almost certain that he will have to suffer a heavy cut when he reaches the market; the small flock contributes to the necessity of the farmer's selling locally on account of not having a carload to ship himself, consequently, the local buyer takes advantage of this fact. A general tendency found in rural communities for a one price basis to be set on all products of the farmers also tends to make it not worth the producer's while to market a good product. That is, a premium is put on the poor grade by the buyer who establishes a uniform price throughout his territory for all lambs purchased, good and bad alike.

These conditions have been very largely responsible for the restricting of the production of more sheep on middle West farms. In an effort to overcome the wholly preventable conditions there, a number of plans have been tried. Naturally, our attention is first turned toward some coöperative means of marketing, and along this line relief has been found.

## *A Special Investigation of One Set of Conditions*

In order to get accurate information as to the real problem of sheep raisers, a special investigation was conducted by Mr. R. S. Besse, of the University of Missouri, and the writer, the idea being

to determine the supply of marketable lambs in a given community, the conditions under which they had been previously marketed, and to see if possible if there might not be an opportunity for bettering conditions. A representative territory was chosen, and a personal visit made to the farms of sheep growers.

On the first farm visited, we found a man with a bunch of western ewes and a very excellent lot of early spring lambs. The lambs had been docked and a creep had been built, so that it was possible for the lambs to get a little extra feed, a pure bred ram had been used in siring this young flock, and the general appearance of the lambs that were ready for the market was very satisfactory. We found that this farmer had followed rather closely the instructions given by college authorities on the proper methods for producing and raising market lambs. He informed us that the local buyer had offered  $5\frac{1}{2}$  cents a pound for his lambs just the day before.

We next visited farmer No. 2. We found that he had a superior grade of western ewes. He had, however, used a common grade ram, and while he had fed some extra feed through a lamb creep, still he had not docked his lambs, and they did not make nearly so good an appearance as the first flock. The second flock of lambs was older than the first. Our estimation of value would have placed these lambs fully  $1\frac{1}{2}$  cents below the first flock. We found that the local buyer had offered the same price for both bunches of lambs.

On a continuation of the journey, we found conditions very similar to those described. In no case had the local buyer offered a premium for the difference in quality of the lambs, and it is really hard to describe the real difference that was found between the best and the poorest lambs on the different farms. The price offered by this local buyer was \$2 per hundredweight below the top of the St. Louis market. Conservative figuring resulted in the estimation of 75 cents per hundredweight, as the necessary charge to make for freight, commissions, etc., incident to selling the lambs. This left the local buyer with a margin of \$1.25 per hundred on the lambs he intended to purchase.

The farmers visited on this investigation trip were induced to select the best lambs from their flocks, culling them carefully as to quality, weight, and uniformity, and deliver them to the nearest shipping point on a given day and make a shipment coöperatively. Each farmer's lambs were carefully marked and weighed at the ship-

ping point, and he was given a ticket of credit for the home weight of his lambs. The cost of shipping was to be based proportionately per pound of shipment contributed by each farmer.

An interesting side-light came at this juncture when the buyer who had gone through the country making bids previously mentioned heard of our intention, called upon farmer No. 2 who was mentioned as having a rather inferior grade of lambs, and offered him 50 cents per hundredweight more for his lambs than he had offered to the others; his probable intention being to break up the coöperative arrangement, thus making it impossible for the other farmers to get together one load of lambs. However the car of lambs was shipped to the St. Louis market and graded on their merits. The most of the lot sold for \$7.50 per hundredweight, but some few were culled out and only brought \$4.50 per hundredweight. The lambs that were culled were all taken from those contributed by farmer No. 2.

It will be seen from this that the major portion of the lot of lambs brought \$2 per hundredweight more than was offered by the local buyer. Our figuring of 75 cents per hundredweight shipping charges proved ample, and it left the farmer a little over \$1.25 per hundredweight as a margin for his coöperative venture. This result was so eminently satisfactory to the farmers concerned that some permanent farm organization seemed advisable.

### *A Successful Lamb Club for Over Twenty Years*

Upon investigation it was found that in Goodletsville, Tennessee, there was a lamb club that had been in existence for a large number of years. The plan upon which this club was organized was, in brief, similar to the one used by the farmers mentioned. The officers of the club consisted of a president, secretary-treasurer, and three men selected as an executive committee. It was the duty of the secretary-treasurer to advertise for sealed bids for the lambs that the club was to market each year. He advertised that a certain number of definitely described grade and quality of lambs would be ready for shipment on such and such a day at such and such a shipping point. These bids were sent to him sealed, from all over the United States. The guarantee of the club that the lambs should come up to description, their general uniformity, and the large num-

ber shipped, made it possible and practical for buyers to come from all over the country. The executive committee was on duty at the shipping point on shipping day, and carefully graded each load of lambs that the farmers brought in. All inferior lambs, or lambs that were deficient in any way, were culled back and returned to the farmer who brought them with instructions to hold such a lamb over until the next shipment was ready. The successive shipments of this club made it possible for the farmer to cull out his best lambs each time, thereby always receiving the top of the market. The lambs that generally go toward the last of the season can, by proper management be made as good as those that go at the first. This was one of the successes of this club, for under ordinary conditions the buyer takes the full lamb crop at one time, paying a certain good price for a few of the best ones, and making heavy reductions for the smaller ones, the latter being every bit as good as the former, except that they are younger and generally lack size and finish. Successive shipments of the lamb club make it possible for the growers of good quality lambs to sell all that they raise for top prices.

Investigations around Goodlettsville show that farmers who own flocks of half a dozen ewes have an equal advantage with these who own ten or twenty times as many. Shipping and other charges are always made proportionate, and the existence of this lamb club has put the selling of the lambs on a firm, well established and long-standing basis. The prices received are from \$1.50 to \$2.50 per hundred-weight above what farmers not in the club receive for their lambs that are in reality as good as the Goodlettsville lambs.

### *The Organization of a Lamb Club*

The successful experience of the Goodlettsville farmers has led to the organization of farmers in other communities. The machinery for handling the coöperative plans is extremely simple. A president, secretary-treasurer, and three temporarily elected executive officers, whose duty it is to pass on the quality of the lambs at shipping day, are all that are necessary. Each member of the club is asked to sign the following application for membership and pay the dues mentioned:

## APPLICATION FOR MEMBERSHIP TO THE COUNTY LAMB CLUB

In consideration of receiving membership to the.....County Lamb Club, I faithfully agree to the following:

1. I will pay to the club for membership fee and annual dues, \$1 per year.
2. I will sell all my market lambs and all my wool that the club will accept, through this Association as long as I am a member thereof.
3. I will agree to dock all lambs and agree to castrate the males that are sold by the club.

Signed this, the .....day of .....191 .

As a working basis, the following rather abbreviated form of club policy was adopted. Its chief features are brevity and efficiency:

## ..... COUNTY LAMB CLUB

OFFICERS, THEIR DUTIES, AND THE GENERAL POLICIES OF THE ASSOCIATION  
Organized at.....Co.,....., .....191

## OFFICERS

The officers of this club shall be a president and a secretary-treasurer.

There shall be an executive committee composed of three men, the chairman to be the secretary of the association, the other members being members of the association chosen by a majority vote of the members.

## DUTIES

The duties of the president shall be to call the meetings of the association and preside, and perform such other duties as naturally fall to the official head of such a club.

The duties of the secretary shall be to carry on the correspondence of the club, handle the accounts, advertise for bids, and generally conduct the business of the Association.

It shall be the duty of the executive committee to grade and pass upon all lambs and wool sold by the club.

The executive committee shall receive as compensation for their services, as follows:

The chairman shall receive \$..... per day for not to exceed ..... days. The other two committeemen shall receive ..... per day for not to exceed ..... days.

## POLICIES

It shall be the policy of the club to advertise for sealed bids for all products sold. They retain the privilege to accept or reject any bid. All products sold by the club are sold under its guarantee and to be as represented.

No lambs should be sold at a less weight than ..... pounds per head at the shipping scales at .....

All wool sold should be graded in three classes:

- a. Absolutely clean and free from burrs and dirt.
- b. Some dirt and a few burrs.
- c. Burrs.

In the handling of all flocks of sheep, the following points are strongly recommended by the club:

- 1. A uniform grade or kind of ewes should be kept.
- 2. A pure bred Down ram should be used.
- 3. Breeding should not be done for more than three months, preferably two.
- 4. If possible, ewes should be bred to drop lambs during January and February—never later than the last of March.
- 5. Green pastures should be provided, if possible, in the form of rye, wheat, clover, etc.
- 6. A lamb creep, which allows the lambs to obtain some extra grain while suckling the ewes, should always be provided.
- 7. Docking should be practiced.

This club should work in active coöperation with a central association. When these clubs are organized throughout the state, no small amount of help can come from the general central association in helping each to keep in touch with market conditions, supply and demand, and all phases of the business other than the local situation.

### *The Lamb Club Shortens the Road to Market*

From the foregoing, it can be seen that the coöperative lamb club does much toward increasing the profits of the farmer in the raising and marketing of his lambs. This increase of profits naturally leads to a greater expansion of the business, which in turn should finally have its effect on decreasing the cost of product to the consumer. Of course, there are a number of steps between the purchase of the lambs by the packers at the market and the consumption of the mutton by the consumer. Our experience has not covered that phase of the situation, but it is certainly a fertile field. It is a more or less popular belief that the farmer is becoming immensely wealthy these days because of the seemingly high prices he receives for his products. When it is generally known that 50 per cent of the farmers are not receiving as much for their labor as their hired hands, this misconception will pass away, and farming will necessarily be forced to a better basis. The cost of production is a feature the farmer generally considers but little. The cost of marketing and better ways of marketing are even more foreign to him. Plans for coöperative marketing have been worked out, but not infrequently fail for various reasons. The distinctly individualist tendencies of the farmer

and his feeling of independence are not unimportant features of his inability to successfully coöperate. The lamb club undoubtedly forms a beginning step. Its extension to other classes of stock and other classes of products may or may not be applicable. It depends largely on the local conditions, market conditions, and the quantity and kind of stock, or product that is being, or can be, raised in the community. It is reported that groups of farmers in the Northwest handle their cattle on the same basis as the lamb club.

Successful coöperation from the standpoint of results must be based essentially, it would seem, not on sentiment, or loyalty to an oath or an organization. It must be based on business principles and economic conditions. The farmer must be visibly benefited, fairly treated, and must in turn be able to do the same for those who receive his products. These are but simple business principles, and when worked on their merits should, as our experience in the past has taught, bring satisfactory results.



## THE CONSUMERS' COÖPERATIVE MOVEMENT IN CHICAGO

W. M. STICKNEY,

Chairman Local Board U. S. Coöperative Company, Chicago.

Much has been said and written in regard to the high cost of living. Marvelous and many are the theories advanced to cheapen table necessities. Ordinarily a topic so much discussed would have become stale long ago but this one seems ever new. Out of it all, however, will soon come some workable plan that will enable consumers to get together in a spirit of helpfulness and organize for mutual protection.

People well informed have no fight to make with the average run of middlemen. A very large percentage of them are progressive citizens and honest to the core. They have been and still are performing a great service, and but few of them are getting rich. Their multiplicity, however, is largely responsible for the high cost of living today, and in addition to this they are hampered by a clumsy, antiquated, wasteful system of distribution. It is this entire system that we are warring against, and it must eventually be stored away in the world's garret among other second-hand and discarded methods of commerce.

The following form of illustration is old, but the stage setting here is new. Woodlawn is a part of Chicago, a resident district, and yet, in a section seven blocks long and three blocks wide there are 35 retail grocery stores, meat markets and delicatessens, all told. It does not take any great stretch of the imagination to see the endless and enormous expense including clerk hire, telephones, rentals, interest on investment, delivery service, insurance and a dozen other items, all of which the consumer must pay. I live in a small apartment building in Woodlawn, and there are at least seven or eight different grocery and market wagons, belonging to as many different firms, that deliver goods at that building from one to three times daily.

This is not economy—it is burning money.

One coöperative grocery and meat market combined located anywhere in the territory mentioned could easily handle all the business

and give as perfect service to all the people as they are now getting. Such a store would necessarily be so large as to enable it to buy in carload lots almost every commodity it needed. It could easily save 10 per cent on account of its buying power and cost of delivery, and 10 per cent more in overhead expense, or a total of 20 per cent in the present cost of living in that community. Then take into consideration the profit, for all goods would be sold at a profit above cost and operating expenses, and there is no question in the mind of any sane man that 25 per cent could easily be returned to the patron if the business were conducted on the same level of prices that it is today.

We have mentioned but one store. If there were 40 or 50 of these coöperative establishments scattered over Chicago, with a coöperative wholesale store in connection, also a coöperative receiving center with a cold storage plant, all working together with the retail stores, then the profits would be even larger than indicated above.

If every family in Woodlawn would take stock to the amount of \$20 in the kind of a local coöperative store mentioned here, it would not only get 6 per cent interest on the investment, but would easily receive every year in dividends at least twice the purchase price of the stock, provided its yearly grocery bills amounted to around \$400. There is no sentiment about this. It is simply a matter of figures, a matter of economy and a matter of business. Let us suppose that these profits are exaggerated. Cut them in half and even then there is a big return on the investment, and the cost of table necessities would be reduced to as low a basis as we may ever expect to see them under the present standard of living.

There is now a coöperative store in Chicago located in Hyde Park adjacent to Woodlawn called the U. S. Coöperative Company. It has been in business about one year. It is incorporated under the coöperative incorporation laws of Wisconsin, which provide that a stockholder shall have but one vote, and limits the number of shares which one person may own to 100 at \$10 each, par value. It also provides that the directors shall apportion the earnings by first paying dividends on the paid-up capital stock not exceeding 6 per cent per annum, then setting aside not less than 10 per cent of the net profits for the reserve fund until an amount has accumulated in said reserve fund equal to 30 per cent of the paid-up capital stock, and 5 per cent thereof for an educational fund to be used in teaching coöperation, and the remainder of said net profits

by uniform dividend upon the amount of purchases of shareholders and upon the wages and salaries of employees, and one-half of such uniform dividend to non-shareholders on the amount of their purchases, which may be credited to the account of such non-shareholders on account of capital stock of the association.

The plans of the men who organized the U. S. Coöperative Company were to establish coöperative stores in the different resident sections of Chicago, or rather get the people living in those sections to do this work themselves. These stores were all to be in the same company and under one management. Five stores of this kind would constitute a fair buying power, 25 would give a greater buying power than any other retail grocery institution in the city, and 40 or more would enable the U. S. Coöperative Company to establish its own receiving center for fruits, produce, and groceries of every kind and sort. All of these commodities could then be purchased in carloads if necessary and distributed by auto trucks to the different coöperative stores.

To my mind this is the most practical method yet proposed for reducing the cost of distribution, and this is the question of the hour. It has been worked out along these lines in other countries and by people who do not claim to be half as smart nor half as rich as the people of American cities. To be sure, the population in Chicago is largely made up of "cliff dwellers" leading a nomadic life—here to-day and away tomorrow—but if we can have a good coöperative store in every community and all in the same organization, we will catch the nomads going and coming, for no matter to what community they move they will find there their coöperative store.

The coöperative store idea is a very inviting proposition when put upon paper, but it has many drawbacks. Perhaps it were better to say that human nature is the drawback rather than the problems of the store. The coöperative principle of operation is the very antithesis of cut prices and bargain sales, for these are usually a delusion and a snare, an easy way to fool the people, and there are many always waiting to be taken in. Therefore, when a coöperative store commences business, the other merchants quickly arrange a "price cutting" campaign. One will drop the price on sugar, another on onions, another on meats, and another on something else for the purpose of perplexing the economical housewife who may be by nature and education a bargain hunter. It is a matter of record that

some people will spend 10 cents carfare to save a nickel on a few quarts of beans, or 2 or 3 cents on some other commodity. It takes time to overcome this habit, but most people finally learn that standard goods, correct weights and measures, fair and reasonable prices, are the cheapest in the long run, provided these goods are purchased at a coöperative store that returns all profits to its customers on the basis of patronage.

A coöperative store is a great educator and teaches the people to work together in the spirit of mutual respect. It will take some fight and some sacrifice to make it a success, but this is always the price of putting righteousness in the place of wrong. No great good can be accomplished in any other way. The stockholders of the U. S. Coöperative Company are mostly business and professional men, and among them are many University of Chicago professors. The members of the local committee having the store in charge are called the "fighting ten." These men together with others usually spend one or two evenings each week trying to interest their neighbors in coöperation. There is also a committee of ladies which is carrying on an educational campaign by holding meetings in different sections of Hyde Park and Woodlawn. The men and women of these committees also go into other resident sections of the city to attend meetings called to discuss the coöperative idea. In one or two of these districts where meetings have been held nearly enough money has already been subscribed to operate a store.

Coöperation is rapidly gaining in Chicago. Many of the largest women's clubs in the city have placed this topic on their program for the coming year. Several of the most influential churches in different resident sections have thrown wide their doors to meetings called to discuss the problem of a coöperative store. One or two prominent pastors have devoted an entire Sunday morning sermon to this topic. A few weeks ago a young colored gentleman called at the office of the writer to get information in regard to the forming of a coöperative organization. He said the colored people wished to have a coöperative store. It was evidently no idle dream on his part, for the daily papers some ten days ago contained an account of a coöperative wholesale and retail grocery being organized in the negro business and resident district of the city with a capitalization of \$100,000. These are but few of the many straws that show the current of the stream.

And so the good work goes on. It will take time, but eventually coöperation will win out. It is winning everywhere. There will be failures now and then, but taking the coöperative proposition as a whole, the percentage of failures is smaller than in any other profession or occupation in the United States. Failure of a coöperative concern is usually heralded the country over, even by publications that never mention a successful enterprise of the kind.

Much has been said about municipal markets, direct purchasing by consumers, purchasing by hamper route, housewife leagues and other similar methods. These may all have some merit, but in a measure they are largely makeshifts. There is no use in fooling about this proposition, and the people might as well "get down to brass tacks" at once. The market basket has gone with the stage coach, the old dash churn, the grain cradle and the scythe. The average housewife in the city is not going to tramp to market and carry home groceries of every kind and sort. No well informed and reasonable person expects her to do this. There are certain sections in every city where the municipal market might prove a blessing to a large number of people, but it will hardly appeal to the great average class of city dwellers who have neither the time nor the inclination to do their marketing in person and carry home the goods themselves.

Marketing by telephone has come to stay. This might just as well be taken into consideration when casting around for some permanent and economic system for reducing the cost of distribution and thereby lowering the price of table necessities. To be permanent, the economic system that we are searching for must have all the conveniences of the present system and more, for we are living in an age of progress.

Producers everywhere are doing all they can to bridge the chasm between the consumer and themselves. On April 8, 9 and 10 of this year more than 450 delegates, representing 37 different states, met in Chicago. It was called the "First National Conference on Marketing and Farm Credits." It was an assembly of resourceful and brainy men, fruit growers, vegetable growers, grain growers, college presidents, agricultural college professors, in fact men from most every walk in life. The main object of this meeting was to devise, if possible, a more economic system of distribution, and after all the addresses and discussions the conference was unanimous as to the rem-

edy—coöperative organizations of consumers working directly with the producers, or rather with coöperative organizations of producers.

This is the trend of the economic and social spirit of the times. The farmers on the great prairies and by the wooded rivers are not alone in this onward movement, for the same feeling is found wherever men toil and think. Never before have the people in their daily living been so nearly in accord with the teachings of the golden rule, and never before have so many men and women been willing to labor in the ranks for the common good. This is the spirit of coöperation, and though it may not cure every social and commercial ill, it will "sweeten the waters of human life and pluck many a thorn from the pathway of mankind."

# WHAT COÖPERATIVE SOCIETIES MAY ACCOMPLISH IN LOWERING FOOD DISTRIBUTION COSTS

BY E. M. TOUSLEY,

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The subject in hand would imply that the cost of food distribution is too high and that it may be lowered through the organization and proper operation of coöperative societies. In the treatment of this theme one can scarcely differentiate between the high cost of production and the high cost of distribution. The cost of the one, production, affects the cost of the other, inasmuch as the middleman system of distribution is carried on on a percentage basis of profit. It may therefore be necessary to analyze both phases to some extent.

We may begin by stating two self-evident facts: The farmer wants, and should get, on the average, higher prices for his products. Second, the consumer wants, and should be able to get, on the average, his products at lower prices. Here are two classes of people whose sole aim, so far as the subject under discussion is concerned, is to attain results diametrically opposed to each other. How may both classes secure the desired results? How may the farmer increase his income to a reasonable degree and the consumer at the same time be able to decrease his living expenses?

The answer is both simple and complicated. Coöperation, and coöperation alone, will do it. Coöperation, when properly inaugurated, does two things: First, it establishes a proper system of operation in both production and distribution and teaches efficiency in business principles, thus eliminating all the wastes of a lack of system. Second, it distributes justly the values created through its economic system.

## *Two Grand Divisions*

In order to arrive at a proper basis for applying the economic and other principles in coöperation, it is necessary to take into consideration the two grand divisions entering into the cost of living, namely, production and distribution. Production is easily divisible

into two subheads, namely, agricultural production and manufacturing.

Coöperation as applied to agricultural production and marketing, it may be said, has so far accomplished nothing in reduced prices to consumers. While there are no data whatever at hand to prove this assertion, we believe all will concede that no one has ever heard of lower retail prices to consumers by reason of the existence of coöperative societies among farmers. This is easily accounted for by the fact that the machinery of distribution is still in the hands of the so-called middlemen or those who are in the business solely for the purpose of making profits. There is no question but that in many instances the products of the farm have been greatly improved in quality by reason of coöperative organizations. We have only to point to the coöperative creameries of the middle West and to the coöperative citrus fruit societies of the Pacific coast. The improved quality of both of these products, as now offered to the consumer, is very marked indeed when compared with their quality twenty to twenty-five years ago. From the lesson thus taught, it may be assumed that when similar coöperative societies are formed for the production, grading, packing, and marketing of all farm produce, a like improvement may be made. And from this viewpoint, and the elimination of unnecessary waste in raising, preparing for market, and shipping, our great body of farmers may materially increase their income.

While such a result is desirable, we would still be confronted with the fact that the price to the consumer has increased rather than diminished. Whether or not the improved quality equalizes or more than makes up for the increase, is beside the mark. It is necessary that the agricultural producing end shall be efficiently organized into such coöperative societies, however, as a foundation for the eventual elimination of the present wastes of distribution.

As I am writing this article two dispatches in the daily papers demonstrate the enormous waste of the lack of system in farming, combined or added to which is that of the inefficient, extravagant, and improvident system of distribution, causing total dissipation of value to the farmer and increased cost to the consumer frequently to the extent of hunger. One item comes from New Haven, Conn., stating: "Nature's bounty in the flood of late peaches in orchards here is so generous that the fruit is being fed to hogs and cattle.



Many growers will let peaches waste on the trees and on the ground. The best fruit ever seen here is offered at fifty cents a bushel at the orchards."

The other dispatch comes from Mankato, Minn., and says: "For the want of a market, fruit growers of this and adjoining counties are allowing tens of thousands of bushels of the finest kind of fall and winter apples ever raised in this state to rot on the ground under the trees or are feeding them to their hogs. Prices offered do not warrant farmers taking the time and trouble to market the apples, and they can be had almost for the asking."

Such a state of affairs, if true, shows criminal neglect or lack of organization and system, when there are millions of consumers within a radius of one to two hundred miles from these orchards, and a large majority of such consumers are financially unable to buy the fruit because of its high price.

### *Machinery of Distribution*

Thinking men everywhere are beginning seriously to consider the problem of food distribution, by reason of the trend of population to the large cities in recent years. City people are apt to think only of their own ills in relation to the high cost of living, without taking into proper consideration the causes of those ills. The problem of economic living in cities is irrevocably tied up with better farming, better rural conditions generally, and proper and efficient systems of transportation and distribution.

This question divides itself into four general heads:

*First.* Marketing of agricultural products at primary points.

*Second.* Transportation.

*Third.* Wholesaling.

*Fourth.* Retailing.

These four general heads make up the entire machinery of distribution. If betterments are to be made and the cost of living of city consumers reduced, an exhaustive analysis of conditions and systems by which these different steps in distribution are now carried on is necessary.

*Marketing of Agricultural Products at Primary Points*

While in Washington recently I had the pleasure of meeting Dr. Henry Charles Taylor, professor of agricultural economics, University of Wisconsin. I mentioned to him the necessity of organization for the improvement of marketing farm products at primary points. He asked me to write him on my return home, concerning the subject, which I did. I quote from that letter on the subject of "Standardization of Farm Products for Advantageous Marketing," as follows:

I think you realize the fact that no large organizations of consumers can be organized and operated in the cities with a high degree of success until such organizations can know exactly where to order this, that and the other farm product in accordance with some uniform standard.

Some authority in each state, or better still some federal authority, should establish and describe a standard for farm products.

After a standard has been fixed by some proper authority, the only way to teach the farmers to put the system into practical use is by organization for the raising of standardized products in various communities or by dividing a community into different sections, letting each section devote its principal attention to the raising of a certain product, always keeping the standard of such product in mind. By the right kind of organization the farmers' association can hire its expert to grade the various products brought to its warehouse and see that packages of the right shape, size and standard are used, properly packed and properly marked, and then see that the goods are shipped to a market which is not already over-stocked.

By the inauguration of such a system, in the opinion of the writer, the farmers could add to their annual income at least 10 per cent, and when a sufficient number of consumers' organizations in the cities are formed to absorb the standard product a like saving can be made by the consumers, thus benefiting both producer and consumer to this extent, and possibly much more. Until such standardization is effected the present waste will continue.

*Consumers' Organizations*

The next step in eliminating waste, in cutting out the unnecessary profits of the middleman system, and in inaugurating the coöperative system, is that of forming coöperative societies of consumers in all large cities and towns. So far as America is concerned, the opposers of the coöperative movement have repeatedly asserted, and still maintain, that this is impossible; and yet we have only to point to the coöperative movement of Great Britain and many other foreign countries to prove that these assertions of the opposers of coöp-

eration are absolutely untrue. Figures are at hand to prove that all the large cities of Great Britain have had flourishing retail coöperative societies operating thousands of stores for the last thirty to sixty years. During the last decade the sphere of activity of these coöperators has been extended to 742,485 new consumers, which is an increase of nearly 60 per cent. There are nearly 2,000 of these retail societies. In 1901 each society had, on an average, 1,204 members, while in 1910 the average number had increased to 1,716. In fact, as nearly as can be estimated, practically one-third of the population of England and Scotland are coöperators, and one-third of the commercial business of those countries is conducted on the coöperative basis. And the best of it all is that the increase is steady and continuous from decade to decade.

In America a splendid start has been made. On the Pacific coast there is a movement containing a large number of coöperative stores in cities and towns. In the middle Northwest is the movement of the Right Relationship League, which, in less than eight years time, has organized over 150 coöperative stores. It is true that most of the successful coöperative stores in this country at the present time have been organized and are operating in smaller cities or rural villages. But the sentiment of the people in the larger cities is rapidly crystallizing around the thought that their people must organize coöperatively for self-protection.

### *Bringing Producer and Consumer Together*

The organization and successful operation of coöperative societies in the cities, which shall include a large proportion of the population, are entirely feasible. Much space might be used in proving the fact. The requirements are a proper spirit among the people, an efficient system (and this is already at hand), and the constant education of the masses to coöperative principles. Dire necessity in many cases will force them to it.

Assuming that enough coöperative agricultural societies have been formed and are being successfully operated by the farmers, as set forth in the first half of this article, so that city organizations of consumers will know just where to secure their farm supplies of dependable quality, and assuming that the people of the cities have also organized large numbers of coöperative retail societies for the

operation of stores for the proper service of their members—the next logical step is that of the connecting link—the wholesale.

### *Wholesaling*

My readers are all more or less familiar with our systems of wholesaling. In country produce and live stock there are independent buyers at primary points who ship to commission men, or the produce is sold to the local country merchant. The commission men and country merchants sell to other commission men or jobbers in the cities, and the jobbers to the retailers, and so on to the consumer.

In manufactured articles the factory must buy its raw materials in the primary market; the goods pass through the manufacturing process; sometimes through the hands of several different factories with commission brokers intervening; from the finishing mill to the big broker or jobber; from him to the local wholesaler; from him to the retail store; and from there to the homes of the consumers. Thus it will be seen that anywhere from three to six or more middlemen intervene between the actual producer and consumer.

The remedy is more easily stated than applied. All who have made any investigation whatever of the British system of coöperative production and distribution through coöperatively owned wholesale and retail stores know that the remedy lies in the assumption of responsibility, by the producers and consumers, of the ownership of the machinery of distribution, namely, the factory and the wholesale and retail stores.

Possibly the first step to be taken in bringing the producer and consumer together, increasing the income of the former and decreasing the cost to the latter, will be that of a coöperative commission warehouse and cold storage plant, which shall be the nucleus for a coöperative wholesale. Let the working capital of this commission concern, which is really the connecting link between producer and consumer, be jointly furnished by the farmer coöperative producing societies and the city coöperative consumers' societies; let all goods be bought and sold for cash and at the prevailing market rates; let there be no price-cutting. This will produce a surplus or so-called profit over and above operating expenses. This surplus or profit will then be available for division between the producers and

consumers, one-half to each, as each has transacted business through the organization.

This connecting link, or federation, whatever it may be called at first, will naturally expand into a general wholesale society for the handling not only of farm produce but all manufactured products as well. Eventually it will also enter the manufacturing field, as have the coöperative wholesales of Great Britain and Europe.

### *Some Figures*

The total business transacted by the retail coöperative societies of Great Britain in the year 1909 amounted to seven hundred millions of dollars, in round numbers, upon which there was a net saving of over 15 per cent, or approximately ninety-eight millions of dollars. The total trade done by all the wholesales (European), which amounted in 1900 to one hundred twenty-five million dollars, in 1910 reached over two hundred twenty-five millions; *i.e.*, it was nearly doubled during the decade. In 1911 the total exceeded two hundred fifty million dollars.

The English Coöperative Wholesale Society contributed the largest share to this magnificent total. This society alone has to record since 1900 an increase in the amount of trade done of nearly \$52,500,000, or 65 per cent. Should this organization make equal progress during the second decade of the twentieth century, which we have every reason to expect, the turnover in 1920 will be about two hundred million dollars.

The profits of this large coöperative wholesale society during the first ten years of the century rose from \$1,441,500 to \$2,314,350. The profits for 1911 reached the sum of nearly \$2,900,000, this being 2.07 per cent of the turnover.

What I am trying to show here is that when business is conducted coöperatively upon the same price level as that established and maintained by privately owned businesses, an enormous saving is made to the proprietors. When privately owned, this saving is called profit. When coöperatively owned, it is nothing more nor less than savings. These savings are then distributed to those who have created them or gathered them together by their trade or labor. Thus the profits or savings in coöperatively owned factories are handed down to the coöperatively owned wholesales and added

to their profit accounts. The profits (savings) of the wholesales, augmented by those of the factories, are then handed down to the retail coöperative stores in proportion as the latter have patronized the former. The retail stores being owned coöperatively by the consumers, these accumulated profits or savings of the factories, wholesales and retails, are then distributed to the consumers in proportion to their trade, after paying operating expenses, which includes a reasonable rate of interest upon the capital invested by such consumers.

In Great Britain and in many countries on the continent these savings amount to anywhere from 10 to 25 per cent; that is to say, after all these different divisions of the business have been operated upon the same price level as are privately owned concerns, the record conclusively proves that, through the coöperative ownership and economic operation of these different branches of business, there is a total saving of an average of about 15 to 20 per cent. And thus is proved what coöperative societies may accomplish in lowering food and other distribution costs.

### *Savings Enormous*

One who reads the figures of the British coöperative movement in percentages or by annual figures alone, can scarcely comprehend the enormous savings to the working people of that country. For instance, during the forty-eight years of the operation of the English Coöperative Wholesale Society, from 1864 to 1911, the total profits or savings in that institution alone amounted to \$36,030,380, and the total profits or savings of the retail societies, of which only a portion of the returns are available, amounted, during the same period, to the inconceivable sum of \$1,045,137,085.

This great sum of money, after reserving enough to build magnificent temples of industry and palatial wholesale and retail premises, has been redistributed among the working people of Great Britain. The figures given denote a clear saving. In other words, since the year 1862, had the people of England and Scotland allowed their commercial business to be conducted as it has been conducted in America, by private traders, trusts, combines, etc., the common people, as the above figures show, would have had their living cost increased over one billion dollars, and probably much more, for the

establishment of the coöperatives has unquestionably kept the general price level of the necessities of life much lower than they would otherwise have been. And this wondrous record, the reader must be reminded, was made in competition with the productive genius of the whole world. The free trade system of Great Britain permits it.

Already in America the establishment and successful operation of thousands of coöperative agricultural associations and of the hundreds, at least, of successful coöperative retail stores, have proved that the principle is practically adaptable to American conditions. It still remains for us to complete the system. We must not stop with what has been accomplished, nor even hesitate. The people must go on acquiring the ownership of the machinery of distribution and develop the spirit and ability to operate it successfully.

Sentiment all over the country was never more ripe for the coöperative movement than at the present time, and the great task before those who are leaders is to concrete this sentiment into action and guide it along lines of genuine coöperation. Common corporations are springing up everywhere using the word "coöperation" or "coöperative" in their title, thus deceiving the people. Any corporation which allows a vote for each share of stock, or proxy voting, or which distributes its earnings upon capital invested rather than upon trade, is not coöperative; and when such organizations start under a coöperative title and the people are misled, it gives the true movement a setback from which it does not recover for years.

Many cities, including my own home, are agitating through improvement associations, women's clubs, and otherwise for municipal markets as a partial solution to the high cost of living. A large and influential group of Minneapolis citizens last winter demanded a bond issue of a half million dollars for the establishment of municipal markets. I do not claim to be much posted on the practical workings of municipal markets, but I take it that time will not turn backward in its flight and any considerable portion of the population of a large city get on the street cars with market baskets on their arms, ride several miles to market and carry home the produce in their baskets. Even if we grant that quite a large percentage of the people would do this, it doesn't touch the problem of high prices of manufactured goods, clothing, etc.

On the contrary, should the people of the city invest a half million dollars in a coöperative organization to operate coöperative

stores, it would give a central store with a stock of one hundred thousand dollars and two hundred branch stores with a stock of two thousand dollars each, which could be placed under one modern, efficient, business management, and such a system would supply all parts of the city, serving all people alike with all the necessities of life at a minimum cost. If such an organization could be formed, its bonds, representing perhaps its entire capital, could be paid off in fifteen to thirty years by a sinking fund made up of 10 to 20 per cent of the annual profits, the balance being distributed to the people. Thus would they be enabled to reduce their living expenses possibly 10 per cent through the operation of the retail stores alone. But coöperative wholesaling and manufacturing would immediately follow as a matter of course, through the operations of which an additional 10 or 15 per cent could be saved.

The economy of operating business coöperatively when compared to competitive or privately-owned business, is well known. A single concrete illustration will suffice: A representative of the English and Scotch Coöperative Wholesale Societies has had an office in New York City for nearly forty years, purchasing American products for those societies. The volume of business handled by this office runs from six to ten million dollars per year, and the total expense of the British coöperators in buying this large volume of American products and having it laid down at their doors is something less than three-tenths of one per cent. Many similar instances of economy of operation might be cited. Many of the coöperative stores in the middle Northwest organized by the League are conducting their business at an expense rate of from six to ten per cent of the gross sales, which in many cases is only about half as great as that of privately-owned stores in the same communities should the latter figure the same salary for the proprietor and the same rate of interest on capital invested. How can it be otherwise when competitive marketing includes drummers, demonstration, samples, advertising by the manufacturer, downtown show rooms, jobbers, advertising by retailers, premiums, loss by bargain-sale baits, and the bookkeeping and unpaid accounts of the credit system, all of which coöperation can get along without?

The fundamental principles involved in true coöperation namely, one vote per member regardless of amount of investment, the limiting of the earning capacity of capital to the prevailing local rate of



interest on money, and the distribution of the resulting profits or surplus savings over and above operating expenses in proportion to patronage, give strict justice to each participant and teach the people self-government. By reason of this education, coöperative producers and consumers are brought to see that through such a democratic business organization they are enabled to serve themselves most economically by eliminating all waste and unnecessary profits.

The cost of transportation by rail I leave to governmental regulation through the Interstate Commerce Commission.

## CITY PLANNING AND DISTRIBUTION COSTS

BY F. VAN Z. LANE,

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AND

JOHN NOLEN,

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One of the foremost functions of practical city planning is to arrange a city so that its citizens can live and do business there with the maximum of comfort and the minimum of cost. No argument is necessary to convince even the most skeptical that a city which offers the most comforts and conveniences from a living and business standpoint, and at the same time at a minimum of cost, is the city that is going to grow rapidly in population and in wealth. As this is so obvious it seems incredible that cities, both large and small, have not made critical examinations of their plans with a view to reducing the cost of distributing food and other supplies.

In an address on transportation and city planning by Milo R. Maltbie, Public Service Commissioner, New York City, delivered at the recent city planning conference, he said: "The cost of living, so far as it is affected by the cost of food products, is to a considerable extent a problem of transportation. The fact has been repeatedly pointed out that food products may be selling at ridiculously low figures at the point of production, that the market may be glutted and that the producer may be barely able to make a profit; while at the same time, the cost to the consumer may be high. It is apparent that the means of bringing the producer and consumer together are defective if such conditions obtain, and while transportation is not the only cause, it plays an important part. What is true of food products is true of all materials. If the means of transporting raw material to the factory and manufactured goods from the factory to the consumer are inadequate, expensive and slow, the cost of the product will naturally reflect these conditions.

"It is essential, therefore, that in every plan of city development provision should be made for a prompt and cheap method of distribution. Thus far the railroads and steamship companies have assumed

that their function ended with the provision of terminal facilities somewhere within the boundaries of the city. Not infrequently these terminals are located upon the periphery of the city and usually considerably removed from the consumer and the factory, so that products have to be transhipped and hauled long distances by wagon or motor truck. Doubtless this is a fairly satisfactory method in a small city where the terminals are not far from any part of the city, but in metropolitan centers such a plan is quite unsatisfactory."

The popular and general conception of city planning is that it has to do with the planning of future cities or of additions to old ones only. This, however, is only one phase of the work, for city planning has to do with the past and the present as well as the future. Inasmuch as the present inadequate arrangements for moving supplies about within the cities were brought about through a past misconception of future requirements, the science of city planning can without doubt advance much more quickly than would otherwise be the case if the lessons taught by these past mistakes are carefully considered in planning for the present and the future. There is hardly a city where glaring defects in the street system are not seen at one point or at another, and yet it can be safely said that the lesson taught by these defects is unheeded in laying out new sections of the city or in correcting similar conditions which have not reached the point where it would be prohibitive either because of the great cost or because too many interests would have to be considered to hope of ever bringing about substantial changes.

City planning can be of very great use in correcting present-day inadequate conditions so as to serve better and more efficiently present-day needs. It is through this application that the science of city planning is going to receive its greatest momentum, because if people see that the application of this new science is actually bringing benefits to them, rather than solely to future generations, it will receive much more consideration at their hands.

If it can be conclusively demonstrated, too, that the net result of correctly applying this new science will beneficially affect the cost of living as well as make living more pleasant, no doubt people will not only take to city planning more kindly, but they will want to require its application. This is illustrated by the act recently passed by the state of Massachusetts, which provides that every city of the commonwealth and every town having a population of more than ten thousand

is directed to create a planning board, whose duty it shall be to make careful studies of the resources, possibilities and needs of the city or town.

Just so long as people live in individual homes detached one from the other, and cities continue to be built over considerable areas, just so long will there be the necessity for individual distribution. Either the people will have to go individually to the source of supply, or the supply will have to be distributed to the individual from this source. Therefore, three things are very essential if this cost of distribution is to be kept down to the lowest possible minimum; and as these are effective and efficient so likewise will the cost be affected. The source of supply or depot should be located so as to be readily accessible to the various inbringing lines of transportation; it should be also located in relation to the community it is to serve that a long haul will be eliminated; and the streets through which supplies will reach the ultimate consumers from the point they first arrive in the city should be so arranged and laid out that no time will be lost in needlessly round-about routes. Unfortunately, none of those essentials prevails in American cities and it is in correcting them that city planning can be of very great and growing value. In order to attain or even approach the ideal conditions, the street system should be given paramount attention.

As it is the purpose of this article to point out how city planning can be of material service in relieving present-day conditions, and as it is so obvious that it will be very difficult to change existing centers of distribution in cities, and as it is also obvious that no matter where these centers are located it will still be necessary to further distribute supplies, this article will be confined mainly to pointing out the relation of the streets to distribution, for in any event and in the final analysis, the streets must be used for distributing purposes between centers, and between centers and individual establishments, no matter what the vehicle or motive power, and no matter whether the distribution takes place on the surface, above the surface, or below the surface. Moreover, no method of locating distribution centers can be outlined that could be applied to any and every city because each city has its own local conditions that determine such locations, whereas general street considerations can be laid down which could be applied in some measure to almost any city.

An ideal street system consists of streets laid out in such a way as to afford the most direct connections between centers for the transportation of people and the distribution of supplies; arranged in such a manner as to facilitate traffic going on them, over them, or under them; paved so as to offer the least resistance to travel, so that wear and tear on roadway and vehicle will be reduced as much as possible, so that sub-surface repairs can be easily made, thus avoiding interruptions to traffic; and so laid out that no obstructions will exist such as heavy grades, or the grade crossings of railroads. By arrangement of streets is meant a suitable and convenient network and a proper proportion of roadway and sidewalks so as to accommodate their respective volumes of traffic and so that no street area will be wasted.

A study of the street system of any city, particularly in this country, will no doubt show that parts of the street system are defective in some or all of the features noted above. It will also no doubt be found that little or no effort is being made to correct these defects and that little heed is paid to the lessons they should teach in laying out and paving the new streets made necessary by the growth and extension of the city. One reason for this, no doubt, is that the relation between the cost of distribution and the street system is not understood, not only by the people using the streets, but also by many municipal engineers and municipal officers.

It seems to be true of streets as of other things, that their fundamental province is often forgotten. The fundamental purpose of a street is to provide a means of communication between different sections of a city and between one city or town and another city or town. Its primary purpose is not to provide space for light, air and sun for surrounding buildings; or a playground for the children. Both of these purposes can be better provided without resorting to laying out and building streets.

Again the idea does not seem to prevail that cities are permanent, especially their street systems. If it did, grades would be cut down or eliminated; narrow roadways would be widened; grade crossings would be removed by elevating or depressing railroad tracks; rough and uneven pavements would be replaced by smooth and durable pavements. When it is considered that all of these obstacles to speedy travel might be eliminated, it does not seem that those responsible realize that a city is a permanent institution, rather than a temporary affair.

It seems incredible that cities have not studied their street systems from the viewpoint of making them better adapted to their primary purposes. It seems incredible that more is not known about the way streets are being used—that is, the quantity, the character and the weight of vehicles and the speed and size of the same, together with the various routes used between the different distribution centers and the number of people using the sidewalks. If obtained in the right manner, such information can be had at a low cost. Such information would be invaluable in economically determining the proper kind of pavement to put down, both from the standpoint of facilitating traffic as well as from the standpoint of paving durability. How often pavements are put down without considering the traffic they are to bear! And how quickly these pavements disintegrate to the detriment of the traffic using them and to the city paying the bill! Streets are often laid out with arbitrary widths of roadway and sidewalk, so that the roadway is congested while the sidewalks are only half used. A knowledge of the size of the traffic units and their speed, together with the number of people using the walks, would give a better arrangement of the street and a freer movement of traffic. A knowledge of the routes that traffic takes in going from one center of the city to another will oftentimes show that traffic will go a considerable distance out of the way to avoid a block of bad pavement, a congested piece of roadway or an unfavorable grade. It will also show that perhaps the present street system does not provide very direct routes between centers of distribution and that this might be easily overcome by extending a street or cutting a new street through.

Thus it will be seen that a knowledge of what is taking place on the streets of a city, so far as traffic movements are concerned, is vitally necessary in order to cut down distribution costs and yet there are very few cities that have any adequate information whatever on this subject.

The conditions brought about through not applying the science of city planning in the laying out and building up of cities have necessitated the police regulation of street traffic. This regulation of street traffic also has an important bearing on distribution costs. It is commonly believed that the purpose of police regulation is merely to see that traffic proceeds in a safe manner. The general idea does not prevail that traffic regulations should also aim to facilitate traffic as well as to have it proceed safely. Traffic regulations should result

from a close and detailed study of the conditions. Correct conclusions can only be reached when a knowledge of all the facts involved is at hand. For instance, all of the larger cities contain many street intersections where all kinds of street traffic are heavy—pedestrian, car, and vehicular; and when it is considered that vehicles alone at an ordinary right-angled street intersection can proceed across the intersection in twelve different directions, and then that street cars and pedestrians crossing in several directions are introduced as well, the importance of even this part of street traffic regulations will be appreciated. A proper knowledge of the volume of traffic crossing the various ways, together with the routes taken in approaching and leaving the intersections, may show very conclusively that vehicles and even cars might take other routes. It may be that poor paving, narrow streets, etc., throw a large volume of traffic through a busy intersection where if these conditions did not prevail vehicles would take more direct routes to the advantage of everyone. A congested intersection not only shows up all kinds of traffic at the intersection itself, but also causes vehicles to “back up” in every direction from the intersection, thus slowing down traffic along the length of the street for a considerable distance, thereby limiting the volume of traffic that the street can accommodate.

The cities of this country do not know yet what it means to have street traffic efficiently regulated, the paramount reason being that this has never seemed to be of enough importance for engineers to give it attention. Surely it is capable of engineering treatment and anything so economically important as the cutting down of the time with which vehicles can proceed through the streets is worthy of attention.

A great deal has been said and written on the subject of providing and maintaining good roads for the farmer, so that supplies can more economically be transported to the railroads, and what a beneficial effect this will have in lowering the cost of living! But very little has been said on the same subject in making the streets of the cities better adapted to their purposes.

The first distribution point in the cities is at the railroad yards or wharves. Here are received most of the supplies. They are then distributed usually by truck, through the various streets. In large cities most of the supplies should be distributed from these points to the next point of distribution—the retailer—by rail direct. If the

streets are narrow and crooked, and the grades heavy or other hindrances exist, the cost of distribution is unnecessarily increased. The character of the city plan is, therefore, of the utmost importance.

In brief, it may be said that a city may be planned to reduce the costs of distribution and therefore the cost of living in the following ways: (1) By a proper location of main depots well related to rail and water lines; (2) by a convenient and orderly location of streets connecting the main centers of distribution with each other and by providing a serviceable system of secondary streets so that every part of the city may be easily and quickly reached from these main centers; (3) by adequate street widths and a skilful and economical subdivision of any given width into roadway and sidewalks; (4) by a careful study of street grades and the elimination or reduction of unnecessarily heavy ones; (5) by raising the standard of street pavement and the use of more discrimination in the paving of streets so as to fit them for the kind of traffic passing over them; (6) by the separation of the grades of streets for ordinary vehicles from the grades of railroads crossing the same; (7) by the compilation and use in city planning and replanning of accurate data showing the quantity, character and weight of vehicles and the speed and size of the same, together with the various routes used between the different distributing centers; (8) by the better utilization of the country trolley and the city street car lines. In all these ways and in others closely related to them the planning and replanning of towns and cities may be made an effective means in reducing the cost of living.



## CONSTRUCTIVE PROGRAM FOR REDUCTION OF COST OF FOOD DISTRIBUTION IN LARGE CITIES

By THOMAS J. LIBBIN,  
New York City.

The constructive program outlined here is based on extensive investigations of food distribution in New York City which I have just concluded; it applies with some modifications to all large cities. The investigation consists in part of the first statistical study ever made of profits and the cost of (1) handling staple groceries, from the time of receipt at city terminals through successive stages until final delivery to the consumer, and (2) the retail handling of meats, fish, fruits and vegetables, and dairy products, by meat markets, fish stores, fruit and vegetable, and dairy stores. It was felt that a statistical study of these items was urgent inasmuch as, other factors being equal, the food prices in cities are determined by the cost of city distribution—and because the cost of the city distribution is the only factor in food prices which the city can directly influence. It was also felt that any attempt to reduce the cost of the distribution of food could properly come only after the facts about the profits and operating costs of the several types of wholesale and retail distributing agencies had been ascertained.

The material for this part of the investigation was obtained from yearly inventories of 230 stores selected as representative in location, volume of business, management and business methods, of the type of distributing agencies to be studied. The inventories were secured by visits to the stores. In each store, after questioning the proprietor and examining the available account books, the investigator filled out prepared blank schedules. Each schedule when filled out represents a classified record of all the items of income and expenditure of the given store for the year.

In advance of formal publication of the report of this part of the investigation, actual figures cannot be given here. The purpose of this paper will be served by the following general summary:

I. In each retail group of stores covered in this inquiry of the "corner grocery" type, some are managed on twice the dealers' margin, (gross profit) that others find necessary, although the stores

deal in the same line of food products, sell to the same population and are situated within a block or two of each other.

II. The retail stores in the poorest neighborhoods are less efficiently managed for every line of food products than those of the more prosperous neighborhoods. The poor man gets less in merchandise and in service for the dollar he hands to his retailer than his more well-to-do fellow townsmen.

III. The combined margin (gross profit) for city distribution is very large: Calculated upon the average family consumption, it runs from one-seventh to one-tenth of the total income of all families with incomes between \$600 and \$1100 a year. This large outlay goes to the wholesalers and retailers for their service and expenses in getting the goods from the city terminals of New York City to the consumer. In view of the comparatively little "personal service" rendered by the store keepers, *i.e.*, delivery, credit accommodation, etc., to families with incomes here considered, this payment seems extraordinarily great, and yet this big dealers' margin affords but reasonable profits to the individual dealer, and could hardly be less under present methods.

The large gross profit and small net profit are both inevitable results of the following conditions in New York City:

1. Inadequate and outgrown terminal facilities, making a great amount of cartage necessary in the wholesale handling of food.

2. For some lines of food products, successive expensive re-handlings by several wholesalers.

3. Re-duplication of effort many times over in the retail handling.

4. Unplumbed depths of ignorance on the part of storekeepers regarding the sanitary and the economic aspects of handling food products.

Certain aspects of the problem of terminal facilities are, of course, peculiar to New York City. Other large cities, however, have the same situation to meet in a somewhat different setting. The other features, the unnecessary wholesale handling and re-handling, the re-duplication of effort in retailing repeated over and over again, the dealers' ignorance of even the most elementary notions of hygiene in handling food products and of economy of effort in business transactions, are characteristic of city distribution everywhere in America.

It is obvious that the problems presented by these conditions are not to be solved off-hand. There is no ready panacea. The

relation of the grocer and the marketman to the family life is so very close and the adjustment is so complex that changes can come only after most intimate knowledge has been acquired and must be introduced very gradually.

The changes that come about through the slow, haphazard evolution of business methods promise relief too remote and too inadequate to be accepted in lieu of the more immediate and adequate aid that may be expected from scientific and concerted action. The gradual tendencies of food merchandising and its adjustment to the needs of the consumer do not warrant the hope of a more economical city distribution. Incompetent food distributors occupy the field almost exclusively, especially in retail distribution, by the "corner store" type. They set the pace. The occasional competent man enlarges his business, not in effecting economies in distribution, and selling food at a lower price, but in pursuing, only more completely, the policy of the small grocer: giving "personal service." He increases the amount of "personal services" with each dollar sold, so that the grocer and market man take the place, in so far as possible, of the family servant.

Combined wholesale buying by retailers has thus far not relieved the consumers. The retail grocers in New York City who get merchandise in buying pools do not turn over to the consumer the results of the saving thus effected. The saving is used to increase first, the merchant's net profits, and secondly, to increase the volume of his business by offering an extra amount of trading stamps or other premiums, and now and then by a bargain sale on some non-staple article.

Nor have the chain stores yielded any adequate relief. This type of store sells at prices lower than those of the individual "corner grocery," but only where the saving to the consumer is spectacularly obvious. The total saving in the year to the family buying all that it is possible to buy in chain stores in New York City is considerable, but not nearly what a thoroughgoing economic system would effect.

The municipal markets and their further development likewise fall short. New York City properly speaking has only one municipal market for retail distribution. The market does afford greater choice and fresher food, but the retail prices are not lower.

The seriousness of the present situation to the city consumer, especially to the families of small incomes facing the ever increasing cost of the necessities of life, and the possibility of a considerable

saving of the total yearly income by better methods, entitle the subject of city distribution at least to as careful a study as that now given to methods of farming and methods of distribution of farm products by the federal and state governments. The newly created federal office of markets approaches the problems of marketing from the point of view and needs of the farmer. It remains for the municipalities to investigate marketing from the standpoint of the city consumer.

The provision of facilities for a flow of fresh and abundant food supplies with the least possible costs for handling is as much a municipal problem as supplying the city with water or gas. That municipal authorities have not thought so is due partly to the fact that any changes of city distribution would be met with opposition from the organizations of wholesalers and retailers. These would be arrayed against any innovation, however advantageous to the trade. The merchants form a large body of active voters: this fact is enough to keep the usual municipal official from any serious contemplation of the problem.

It remains, then, for men of good will, keen foresight and action, who have the means and the time, to initiate the necessary study, experimentation, publication of results, demonstration and publicity campaigns which will be necessary to bring about the desired improvements. All these activities are essential in order to put into operation a simple and economic method of food distribution. Permanent and comprehensive relief can come only from a re-organization of the food distribution system, such as the following constructive program might aid in bringing about.

The plan presented is a coördination of suggestions from several social workers in New York City. A complete carrying out of the program requires a department of food supply which should operate various types of experimental stores in much the same manner as the agricultural colleges conduct experimental farms. The stores should be financed as regards investigation, research, supervision and trial of new methods of sanitary and economically efficient marketing and merchandising, by a fund given for the purpose. They should not attempt to meet these expenses out of profits.

The department should investigate the present conditions of distribution and consumption of food products; improvements in methods in commercial handling of food in cities which may be developed anywhere; the work of coöperative societies, consumers'

leagues, housewives' leagues, etc. It should coöperate with all municipal, state and federal bureaus already established which have in any way to do with the matter of food distribution. It should publish and carry on campaigns in favor of better methods.

One experimental store under the proposed department of food supply should be of average size and therefore of the "corner grocery" type. It should actually engage in business and have for its two primary aims the development of efficient methods of sanitary and economical handling of food. The hygienic handling of food, which brings it to the consumer in the most cleanly and perfect condition, is a need equal in importance to that of economy in distribution.

Another type of experimental store needed is one large enough to buy at points of production, and to require but one physical handling of merchandise from city terminals to consumer, aside from retail city delivery. The profits of such a store should, by charter, be limited to a fixed percentage on the investment. Such a store would supply food to only a small fraction of the community, but its influence in the total situation would be great. It would set a standard to which the business as a whole would be compelled to approximate. The undertakings should in time be transferred from management of social workers to the municipality.

The enterprises would effect a reduction of the gross profits which are necessary under present conditions and would thus diminish the cost of food. They would make the consumer's dollar go further. They would bring about a material increase of real wages to every family in the city.

Social workers are finally arriving at the conclusion that what the poor need is more income. It might be more exact to say that what the poor need is more real income. The man who aids in the establishment of the enterprises sketched would assist in effecting that most fundamental requisite of social progress: more real income to the poor.

This program, embracing a department of food supply with several types of experimental stores, is being considered in New York City. Here some prominent social workers, conscious of the havoc among the poor caused by the needless and high cost of food distribution, have concluded that such an undertaking is urgently demanded in a broad constructive program of social service. The prospect of such work in New York should be an incentive to other large cities.

## THE OFFICE OF MARKETS OF THE UNITED STATES DEPARTMENT OF AGRICULTURE

BY CHARLES J. BRAND,  
Chief.

Congress at its last session made an appropriation of \$50,000 to enable the Secretary of Agriculture to acquire and diffuse among the people of the United States useful information on subjects connected with the marketing and distribution of farm products and for the employment of persons and means necessary to accomplish these purposes. The Secretary of Agriculture, a highly trained economist, and the Assistant Secretary, under whom, as Chief of the Bureau of Plant Industry, many valuable investigations in handling, marketing, transportation, and storage of farm produce have been initiated, determined upon the establishment of an Office of Markets as the most direct way of attacking the existing problems. This new division in the Department of Agriculture was actually established on May 16, and as its chief the writer was directed to formulate a plan of procedure. The officers of the government realized fully the difficulty of modifying even in the direction of improvement the complex commercial organism through which crops pass from producer to consumer. They also know sufficiently well how hard and long a task it will be to bring about the general adoption of the principles of coöperation and their application to the economic problems of country life. But the mere fact that a thing is difficult will never justify or excuse failure to tackle a problem upon whose proper solution depend in a large measure the comfort and well-being of a major part of our population.

There is no one principle, the correct application of which will cure the present difficulties of distribution and marketing. The problem as a whole is one of articulation. The farmer producer must be brought into more direct touch with the manufacturer of industrial products or with the ultimate consumer in the case of food products. Furthermore, agricultural production must be more carefully adjusted to market demands than is now the case. It is unlikely that immediate results in the way of large money returns can be realized through such work. Certain specific and almost elementary things must be

taken up first. These may, in a small way, yield immediate results. Beyond this the facts will first have to be determined and we must then proceed with them as a basis.

The following paragraphs outline briefly some of the many lines of work that will be undertaken as soon as possible.

### *1. The Study and Promulgation of Market Grades and Standards*

A common language for both producer and consumer is the first essential to a satisfactory contact between them. When a man orders something from the country producer he must know, within reasonable limits, what the producer proposes to deliver to him. Grades and standards are an absolute necessity. They should be as nearly universal in their application as may be possible for each crop. Multiplicity of standards causes confusion and gives opportunity for manipulatory practices and abuses. A dealer may buy on one set of grades that exact high quality and sell at correspondingly higher prices under less exacting standards. This is especially true where the same grade names are applied to different qualities by different exchanges or associations. This can be illustrated by an example in the cotton trade. No doubt similar cases are of most frequent occurrence in the grain trade.

Last fall the department, under the writer's direction, conducted a survey of cotton marketing conditions in the primary markets of Oklahoma. During the course of this work between three and four thousand individual bales of cotton were sampled and records made of date, place of sale, and the price paid to the farmer. A single case will serve to illustrate the conditions found. On November 26, a collection of samples was secured from twenty-one bales sold by a number of different farmers at Ardmore, one of the largest primary markets in Oklahoma. These bales showed a wide variation in grade, but a marked similarity in price. They were not sold in a round lot at average figures, as slight variations in price occurred in almost every pair of bales. The department's expert classifier found that the samples taken from these twenty-one bales graded as follows: 1, good middling (which was the highest grade bale in the lot, and then down to the lower grades, as follows); 3, good middling spotted; 2, good middling light tinged; 3, strict middling; 3, strict middling spotted; 1, strict middling tinged; 1, middling; 3, middling spotted; 1, middling tinged; 3, strict low middling.

The extreme variation in price was one cent per pound, which was not sufficient when the wide range of quality was considered. The interesting fact developed was this: The highest price paid per pound ( $12\frac{1}{2}$  cents) was given for one of the good middling spotted bales, while the lowest price in the lot per pound ( $11\frac{1}{2}$  cents) was paid for the good middling bale, the best one in the entire lot of twenty-one. We have here the peculiar condition of a variation of \$5 per bale, not occurring between the highest and lowest bales in the lot, but between two of the very best bales. The best bale in the lot sold for 35 points less than the poorest one.

There has been a constantly increasing tendency to lower the standards in grain under the present systems of grading and inspection and to give the benefit of the doubt to the seller. The result of this practice, which at first glance gives apparent advantage to the grower, will be to give the careless producer or the dealer in lower grades better prices for these lower grades, thus gradually depressing prices on all grades. Buyers will surely attempt to defend themselves by buying safe. This tends to discredit all grades and works a hardship on the better class of growers, who are the very ones who deserve aid and discrimination in their favor. The greatest use of grades at present is in dealings between buyers and between merchants and manufacturers. They are rarely of direct benefit in most crops to the farmer, but serve a useful purpose in settling squabbles between middlemen. This is a condition which deserves early correction. The farmer should be paid for the grade which he produces. Its quality, whether good or bad, is due to his care or indifference. In the former case he deserves encouragement, and in the latter such discrimination as will force him to produce a better product.

In connection with the work on grades and standards, we must have distinctive terms which can be accurately understood as applying to a given quantity of produce. These should be based on present trade practices in the handling of various commodities and on the requirements of modern consumers. This may require legislation as to size and weight of packages, their labeling, designation, brands and description.

Legislation has already been enacted in certain states in this direction and other states should follow at an early date. We should probably also have a national law unifying the enactments of the various states.



## *2. Coöperative Marketing and Distribution*

This work will include a study of existing marketing organizations and compilation of laws, state and national, affecting organized production and distribution, and the promotion of new marketing organizations and consumers' leagues, in so far as these activities may be carried on within the authority of the department. Coöperation is no longer an experiment, even in this country, while in other countries, notably, Denmark, Ireland, Holland, Germany and other European states, it has been in successful operation for many years. It is the only system of organization adapted to the farming industry. The need of organization, not only of the business of farming, but of country life as a whole, no one will deny. The city is an emphasized form of organization. Hence the attractions of the city, its comforts and conveniences.

Country life is unorganized and as a consequence it is unable to command the many features which attract the best blood of the country to the city. This probably explains the great movement away from the rural community to the urban community. If our agriculture is to meet modern conditions successfully, it must be organized and the tide cityward stemmed and turned back to the country.

At present, the brains and red blood of the farm are going into the manufacturing and other industries in which brains are not nearly as essential as on the farm. Factories have overseers who largely do the thinking for the whole enterprise. It would be much more in accord with reason if the failures of the country moved to the city and the country attracted the brains to it where its use is highly essential.

In connection with the coöperative organization work we hope not only to carry on investigations, but to give concrete sensible help wherever we can, according to the men and means at our disposal. In changing to the coöperative system we must be reasonable in our expectations. Too many people think it a panacea for all their economic ills. They expect money returns wholly beyond any to which the facts entitle them. In our work we hope for but do not promise these. We will be satisfied with a little better prices for the producer and probably slightly lower costs or better products at the same price for the consumer.

Coöperative organizations on the land will not of themselves be sufficient, as economy there effected may easily be absorbed at some later stage of distribution, thus again benefiting him who deserveth not. Only by performing some or, where possible, all of the functions of our present middleman system can we hope to return to the farmer all of the benefits to which coöperation entitles him.

Much time has recently been spent in abusing the middleman; possibly he does get more than he earns, possibly there are too many of him, in fact there is no doubt on this latter point, but until some efficient machine is developed to take his place, supplement him, or regulate him, he is a necessary factor. Changes in our system should be constructive and not destructive. In other words, his activities should not be dispensed with, but should be directed into more useful channels. The test of any factor in our whole system should be service; it should be useful service; those who are not rendering it should make way.

### *3. Surveys of Supply and Demand and Demonstrations in the Organization of Consumers*

This work should include surveys of consumption in definite localities and educational and organization work among consumers with a view to establishing direct dealings with organized producers and to extending the use of produce now wasted, which could be brought to the consumer more cheaply by direct dealing. Part of this work would include the development of larger markets for certain classes of commodities by publicity and education. Many excellent products are now thrown away because of ignorance about them, or prejudice against them.

Under our present system the consumer practically never receives any benefit from the production of an unusually large crop. You might say that the middleman gets a sore throat or some other form of indisposition every time the grower makes a big crop. Hence, he is unable to perform his normal functions and the benefits of larger production are lost both to the producer and the consumer. Frankly, our present intermediary is not interested in handling to as good an advantage as possible the whole produce of the land. This is not surprising as he wants to make as much money as possible with as low an expense cost as possible, which means handling as little material as possible. Keeping up the price accomplishes this result. Hence,

we have the anomaly of melons being dumped into New York harbor by the ear load, while the price is still so high that the common people cannot afford to buy them. And likewise upon occasion with many other perishable food products.

The farmer very rarely, or perhaps never, actually overproduces a given crop. Our distributing machine is so imperfect that we fail to deliver the surplus product to those markets where there is no glut. In fact what we call glutting at the present time, is not really glutting at all. A market is not glutted until its consuming public cannot absorb further supplies of a given product. Here again we must develop coöperation, especially amongst consumers for the purpose of cheapening terminal market distribution. If the Texas melon grower can prosper with melons selling f. o. b. his station at from 5 to 10 cents, we ought to develop a distributing system which would enable the consumer to get his produce at a much cheaper price.

There should also be made a study of methods by which consumers might buy in larger quantities, of improved cellar construction, of small cold storage units and other methods that might be devised whereby a larger proportion of city dwellers could buy potatoes and apples by the barrel and other necessities in correspondingly larger quantities.

#### *4. Study of Methods and Cost of Distribution*

This work will include an investigation of present commercial methods of distribution, prices received by the producer, cost of transportation, storage, etc.; changes of ownership or possession between producer and consumer, accumulated charges, costs and ultimate prices and profits at each step in the process by individual products or classes of products.

It will also include a study of existing coöperative organizations for marketing farm products, together with a determination of cost and general advantages and disadvantages of this method as compared with the commercial system. Only in this way can we obtain a true measure of the benefits to be secured by a general introduction of coöperative methods. In connection with this work comparisons are also to be made between the efficiency of coöperative and commercial methods at home with those in practice in certain foreign countries, which have been held up to us as models for a number of years. We

have been told many times that Denmark markets its butter more economically than we do and that the producer gets a higher portion of the price paid by the consumer; there is need to get some actual comparative figures on this and other similar points.

*5. Study of Transportation Problems and Assistance to Producing Organizations in Securing Suitable Transportation Facilities*

Producers and shippers are entitled to many considerations which they do not at present receive, but which the railroads in many cases would be perfectly willing to give upon a proper presentation of facts. Nearly all of our railroad systems are doing good work in assisting in the solution of the problems of agricultural production. There is not the slightest doubt but that they will render similar assistance in distribution and marketing. In connection with this work the services of a transportation specialist are to be secured who will assist the producer, after determination of facts, in securing necessary or desirable concessions directly from the railroads and in cases of unjust discrimination, intervening with the Interstate Commerce Commission, in their behalf through the office of the department's solicitor. This specialist would also conduct investigations of the feasibility and cost of various methods of retail distribution. He would familiarize himself with the causes of car famines, irregularities and discrimination in car distribution and also undertake experimental demonstrations in distribution through hamper systems, and parcel post, or express. He would also be in a position to advise growers' associations as to the technical points involved in railroad transportation of perishable and other farm products.

*6. Market News Service for Perishable Products*

Practically every person who speaks about the work of the new Office of Markets appears to be under the impression that the department proposes to conduct a market news service through which producers may be advised as to what market they should ship to. It is our present impression that a comprehensive and detailed service of this kind would be utterly impossible, both on account of its great cost and the dangerous difficulties that it would present. Nevertheless, we do intend to take up an investigation of the practicability of

possible methods, and the cost of conducting such a service. If found to be feasible, it might perform the following functions: collect and distribute daily information relating to the conditions of supply and demand in the leading market centers, shipments en route their destination and probable date of arrival, progress of planting and areas planted, collected and distributed weekly during the planting season, information concerning the growing crop, concerning the relation of supply to demand, disseminated as occasion demands. It is certain that the practicability of such a service should be most carefully looked into and that in some rather modest way much good might be done. The California Citrus Exchange, a most efficient co-operative organization, conducts such a service. Its total cost is about \$625,000 per year, \$75,000 of which is for telegraphic charges alone. With such a cost for 65 per cent of one very restricted industry you can easily see how great would be the cost to carry on such work on a national scale.

As stated above, the difficulties of the work which is being begun are realized. Its value and success will depend on whether it increases the farmers' income a little, at the same time reducing the ultimate consumers' cost to some extent, or bringing them better products at the same price. It is intended that the work shall be definitely practical, and, though founded on sound economic bases, not academic.



## BOOK DEPARTMENT

### NOTES

AMERICAN SOCIOLOGICAL SOCIETY, *Papers and Proceedings of the Seventh Annual Meeting of the* (1912). Pp. vi, 223. Price, \$1.50. Chicago: The University of Chicago Press, 1913.

The first paper in this volume is the presidential address of Professor Small, entitled "The Present Outlook of Social Science." The general subject of the volume is "The Conception of Human Interrelations as a Variant in Social Theory," and is discussed by the various contributors from the standpoint of psychology, education, history, politics, economics, legislation, philanthropy and religion.

D'ANETHAN, BARONESS ALBERT. *Fourteen Years of Diplomatic Life in Japan*. Pp. 471. Price, \$4.25. New York: McBride, Nast and Company, 1912.

This journal of life in Japan, written by the wife of the Belgium minister, abounds in interesting incidents of a period never to be forgotten in the history of the country—that of the Chinese and Russian wars. Because of her husband's official position, the baroness had exceptional opportunities of observation. The journal is reproduced as written, and the style is delightfully simple. Under date of November 4, 1893, appears the following: "We left Mr. Q. in the tea-house. He is a kindly and pleasant man, whose English is somewhat quaint. Once on board ship, when I asked him if he would be so good as to tell A. I wanted him, he went to A. and said, 'Baron, will you please come? The She-Baron is asking for you.' A. and I thought this name for me most delightful and expressive!" Well selected illustrations of Japanese life and statesmen abound throughout the book and add to the charm of the narrative.

ASHLEY, ANNIE. *The Social Policy of Bismarck*. Pp. xi, 95. Price, 75 cents. New York: Longmans, Green and Company, 1912.

This study of the origin of the German insurance movement begins with the meaning and history of state socialism and continues to the place of Bismarck himself in this movement and the development of this legislation. After a brief abstract of the German acts, the whole movement of state insurance is discussed, with especial consideration of the present English insurance law. The study of Bismarck's development and his realization of the value of insurance laws is very interesting. "By making the individual more dependent upon the state, Bismarck believed he could make him more loyal to it" (p. 57). Although this belief may have been one of the reasons for the insurance acts, yet "Opinion in Germany seems strongly on the side of the legislation. . . . Their (the German employers') unanimity in favor of the legislation is remarkable, considering that they belong to the class which we should expect to be most hostile" (p. 90). Bismarck's secondary object seems to have been fully accomplished as "One after another these employers give their opinion that

both the standard of life and the efficiency of the workers have been greatly improved" (p. 90). The analysis of the origin and substance of German insurance legislation and the comparisons of the German and English systems are particularly valuable.

ASHLEY, W. J. *Gold and Prices*. Pp. 32. Price, 50 cents. New York: Longmans, Green and Company, 1912.

Professor Ashley has reprinted in this small pamphlet a series of articles originally written for the *Pall Mall Gazette*. The views advanced are the usual ones of the quantity theorist, the rise of prices since 1896 being attributed to the increased output of gold. While conceding the extremely variable relation between reserves and deposits, he still finds a close connection between the gold supply and the power of the banks to lend. Little attention is given to the commodity side of the price ratio.

BLAKESLEE, G. H. *Japan and Japanese-American Relations*. Pp. xi, 348. Price, \$2.50. New York: G. E. Stechert and Company, 1912.

The series of volumes published as Clark University Addresses has already established itself as an important commentary on current oriental affairs. This year the field of topics covered is wider than usual, though practically all the essays deal with Japanese affairs. More attention is given to the scientific and institutional advance of the country—less to its international relations. Many of the chapters emphasize the underlying forces which work for the co-operation and friendship of the two peoples. Nearly all of the articles have previously appeared in the *Journal of Race Development*.

BOSTWICK, ARTHUR E. *The Different West*. Pp. 184. Price, \$1.00. Chicago: A. C. McClurg and Company, 1913.

The usual effect of emphasizing points of difference rather than those of agreement is to increase sectionalism. Such an effect scarcely will be produced by this little volume. It is a clear, kind and often amusing description of the impressions and observations of a liberal-minded Easterner who has lived several years in the West. While it is written primarily for the "folks back East," in order that they may know and better understand the conditions in the West, it is neither censorious nor apologetic. It explains the differences and the reader feels that they are quite natural. The observations cover a wide range and some explanations will seem "a little queer" to the native of the West, who will probably consider that the author is still viewing the West through his Eastern glasses. It would be equally interesting to view the "Different East" as seen by a transplanted westerner. A wide reading of this volume will serve a good purpose in eliminating many misunderstandings each group has concerning the other.

BRYCE, JAMES. *University and Historical Addresses*. Pp. ix, 433. Price, \$2.25. New York: The Macmillan Company, 1913.

These are selected addresses delivered during the years in which Mr. Bryce was British ambassador to the United States. They cover a wide range



of subjects, from the study of ancient literature to the mission of state universities. The subject matter is presented in the entertaining form familiar to the author's many American readers.

BUREAU OF MUNICIPAL RESEARCH. *Handbook of Municipal Accounting*. Pp. xxx, 318. Price, \$2. New York: D. Appleton and Company, 1913.

This volume, prepared under the direction of William H. Allen, Henry Bruère and Frederick A. Cleveland, presents in a compact yet comprehensive form all the essentials for an adequate system of accounting control over the receipts and expenses, and the assets and liabilities of municipal corporations. It contains all the information necessary to establish the system in a practical manner, all the elements of which have demonstrated their value by actual experience; takes up and considers revenues and expenses, general account balance sheet, appropriation and fund accounts, the capital account balance sheet, sinking fund and trust funds, functional expense and cost accounts, collecting and controlling revenues, controlling and recording expenditures, municipal store keeping, control over the custodianship of movable property, payroll making, time and service reports; information as to how a public officer may use these various reports to the best advantage; and the steps to be taken in reorganizing accounting and business methods, together with the cost of obtaining complete and adequate information as shown by the experience of Montclair, N. J. The work is admirably adapted for consideration by either layman or professional accountant. It describes not only the things that are to be done, to obtain complete and accurate records of municipal accounts, but also shows how this result is to be obtained by a complete and comprehensive system of journal entries and the reports and books to be used.

CLEMONS, HARRY. *Bibliography of Woodrow Wilson, 1875-1910*. Price, 50 cents. Princeton: Library of Princeton University, 1913.

COUDERT, F. R. *Certainty and Justice*. Pp. vii, 319. Price, \$1.50. New York: D. Appleton and Company, 1913.

To every keen observer of the history-making process there is an eternal conflict between the forces which make for social solidarity through appeal to custom, precedent and the established order and those kinetic forces which generate friction, create new adjustments and require new interpretations. The former tend toward conservatism and stability; the latter, toward change and progress.

This process, especially in the domain of law and politics, constitutes the theme of this volume. In law we find the effort to secure "certainty" by appeal to "the code, to judicial decisions and to the constitution." But substantial injustice may result through the application of precedent to conditions which have changed. This, in practical politics, has led to the change of precedent, interpretation and even the constitution itself through judicial decisions. In this way we have secured a degree of compatibility between these forces in such instances as, the reform of the jury system, the control of the trusts, the regulation of the franchise, etc.

The author believes that a high degree of justice and progress is reconcilable with certainty and stability and that human ingenuity is equal to the task.

The book is full of information, is admirably written, and is a keen analysis of present tendencies in the politico-legal field. It is doubtful, however, whether it will be regarded as "sound" by the conservative portion of the legal profession.

FERRER, F. *The Origin and Ideals of the Modern School*. (Translated by Jos. McCabe.) Pp. xiv, 147. Price, \$1.00. New York: G. P. Putnam's Sons, 1913.

The striking martyrdom of Ferrer throws a peculiar halo about anything that he did through his life, and lends, perhaps, too great emphasis to the fragmentary manuscript which was found by his literary executors. Ferrer's concept of the modern school is certainly not modern, and in more than one sense of the word the institution which he aimed to establish was more than a school. According to his own statement (p. 27), "its aim is to convey, without concession to traditional methods, an education based on the natural sciences." Here is the basis for a philosophy, rather than for an educational system. The statement that "rational education is, above all things, a means of defence against errors and ignorance" will cause no protest, even from the most conservative educator; nor will a perusal of the pages of this little book reveal anything which is not to be found in Rousseau, Froebel, Herbart or Spencer.

GILL, C. O. and PINCHOT, GIFFORD. *The Country Church*. Pp. xii, 222. Price, \$1.25. New York: The Macmillan Company, 1913.

*The Country Church* is a survey of church attendance, church membership and church expenditures in Windsor County, Vt., and Tompkins County, N. Y. The method is original and the findings accurate. Such criticism as one might make falls upon the side of confirming the severity of the story told of church decline. In these two counties there is shown a decline in church attendance of 53 per cent in twenty years. Church membership appears to have increased and church contribution is reported in terms of nominal increase, but measured by the value of the dollar, in a gradual decrease. The writers make no effort to explain the cause of this religious decline. There is no study of social or economic conditions corresponding in thoroughness with the study of church attendance, membership and expenditures. The results are presented in narrative form accompanied with ample statistical tables and graphic charts. The book is a valuable contribution to the present study of rural social conditions.

HASKIN, F. J. *The Immigrant: An Asset and a Liability*. Pp. 251. Price, \$1.25. New York: Fleming H. Revell Company, 1913.

If the importance of a subject may be judged by the volume of literature it creates, then we may safely assume that the immigration problem is the

most significant question before the American people. This book, like numerous others which have appeared recently in the same field, is based chiefly upon the report of the Immigration Commission of 1907. As stated in the preface, this volume is the reproduction of a series of articles previously published in various newspapers throughout the country, and put in book form to fill a demand from readers of the *Haskin letter* in all parts of the Union.

The material is put in popular form and is calculated to produce an enlightened public opinion on the subject. The treatment is neither comprehensive nor adequate for the purpose of a scientific text, but is admirably adopted to the purpose for which it is intended. The conclusions presented in the main are those of the commission and little originality of thought appears.

It is a good book, however, for popular reading and ought to have a wide circulation. It is illustrated with numerous photographs of different racial groups, but lacks an index, and is therefore not usable for reference.

HOPKINS, J. C. *The Canadian Annual Review of Public Affairs for 1912*. Pp. 789. Price, \$3.50. Toronto: The Annual Review Publishing Company, 1913.

JAMES, HERMAN G. *Principles of Prussian Administration*. Pp. xiv, 309. Price, \$2.50. New York: The Macmillan Company, 1913.

We are beginning to realize now more than ever, that government regulation does not mean simply law making, but involves especially the administration of legal principles by a highly skilled public service. Our laws are therefore becoming statements of principle, and the executive is applying the principle. As time goes on, we are also becoming more and more convinced that we must relieve our state administrations from the curse of partisanship and must make them more effective; we must develop an administrative policy; we must secure greater elasticity and adaptability for our laws; we must legislate less in detail and must leave more to the discretion of the executive. Most of the problems which our states are now confronting cannot be solved by a command of the legislature; they must be worked out with the greatest care by technical experts; their relation to other problems must be examined in detail, and there must always be some means of preventing the letter from defeating the spirit of the law. To this end we need a more general study of administration as a science. Prof. Frank Goodnow has done much to stimulate this study, and we are fortunate in having in Dr. James' book an additional stimulus and source of information.

The remarkable efficiency of the Prussian administrative service has long offered a tempting field to the American student. Dr. James' thought is to describe the organization and to explain some of its most important problems, such as the general police power, labor regulation, education, etc. He outlines the chief laws which have been passed since the Stein and Hardenberg reforms; shows the relation of each administrative body and unit to the

others above and below it, explains the main principles of the civil service, and of the law of officers and describes the protection offered to the individual by the administrative courts. The book is not only useful for the general student of political science but it contains also many hints for the solution of problems which we are now facing in our state governments.

KLEIN, JOSEPH J. *Elements of Accounting*. Pp. xiv, 422. Price, \$1.50. New York: D. Appleton and Company, 1913.

This volume is an endeavor to bridge the wide gap that has heretofore existed between elementary books in bookkeeping and advanced works in accounting. It is well known to all teachers of accounting that such a gap has existed, and Dr. Klein's book will go a long way toward meeting a need.

A knowledge of debit and credit is presupposed, although the book commences with a short review of bookkeeping. It then passes on to the relations between bookkeeping and accounting, and with the elements established, takes up such subjects as corporation accounting, balance sheets, depreciation, reserves, statements of profit and loss, etc. Its final chapters treat of cost keeping and auditing and serve as an adequate introduction to those more advanced subjects.

As a text for those who have had a training merely in bookkeeping and as a reference book within its field the volume should prove a valuable addition to the literature on the subject. A noteworthy feature of the book is the list of questions supplementing each chapter, which, together with the practical questions in the appendix, should be of great assistance to the teacher and student.

LEACOCK, S. *Elements of Political Science*. (Revised to 1913.) Pp. ix, 417. Price, \$1.75. Boston: Houghton, Mifflin Company, 1913.

LEE, G. S. *Crowds*. Pp. x, 561. Price \$1.50. New York: Doubleday, Page and Company, 1913.

The character of this volume can be gleaned from its dedication which reads: "Gratefully inscribed to a little mountain, a great meadow, and a woman. To the mountain for the sense of time, to the meadow for the sense of space, and to the woman for the sense of everything." It is not analytical; it is hortatory, not descriptive; in no fundamental sense is it even about crowds.

MACFARLANE, JOHN J. *Manufacturing in Philadelphia, 1683-1912*. Pp. 103. Price, 50 cents. Philadelphia: Commercial Museum, 1912.

This is a brief account of manufacturing in Philadelphia based upon a careful study of the United States census statistics of manufactures for 1909. The author is the librarian and statistician of the Commercial Museum. The book is handsomely illustrated with photographs of some of the leading industrial establishments. The statistical data are well arranged and the historical touches throughout the book bring out the part Philadelphia has played as a pioneer in various kinds of manufactures. The book is an important contribution to this kind of literature.

MARTIN, E. S. *The Unrest of Women*. Pp. 146. Price, \$1. New York: D. Appleton and Company, 1913.

In his *Unrest of Women*, the author seeks to make a careful diagnosis of the present disturbed condition of the feminine mind, analyzing all the symptoms, and passing judgment upon proposed remedies. Concrete illustrations of the dissatisfaction are given in the words of Miss Thomas, Mrs. Belmont, Miss Addams and others. Mr. Martin discriminates sharply between the feminist and the suffragist, not only discounting the importance of equal suffrage, but doubting its efficacy in relieving the situation. The remedy lies, he says, not in sharing the kingdom of man with men, but in winning back to women their own kingdom. This can be accomplished only by men, he believes, through politics and religion.

MATTHEWS, LILLIAN R. *Women in Trade Unions in San Francisco*. Pp. 100. Price, \$1.00. Berkeley: University of California Press, 1913.

MYRICK, H. *Coöperative Finance*. Pp. xxxii, 328. Price, \$2.50. New York: Orange Judd Company, 1913.

A plea for a reorganization of the American monetary and banking system along coöperative lines, with the author's detailed plan for accomplishing it. The book is illustrated by charts, sketches and cartoons.

NYSTROM-HAMILTON, LOUISE. *Ellen Key, Her Life and Her Work*. (Translated by Anna E. B. Fries.) Pp. xvii, 187. Price, \$1.25. New York: G. P. Putnam's Sons, 1913.

Ellen Key is a unique figure. An old woman living among a group of people constitutionally conservative in their attitude, she has braved their scorn and ridicule and announced her theories to a world which has listened, if it has not thoroughly understood and approved. The author makes it very clear that Ellen Key is another illustration of the prophet without honor in her own country. Like Ibsen, she expressed social views in advance of her time, and like Ibsen she has suffered throughout her lifetime from lack of sympathetic understanding. The author makes it very clear, however, that the time has come when even in her unappreciative country Ellen Key, like Ibsen, is regarded as a thinker of no mean power, and as an intellectual leader with whom the future must reckon.

PATTISON, R. P. *Leading Figures in European History*. Pp. vii, 471. Price, \$1.60. New York: The Macmillan Company, 1912.

This book is intended for those busy people who, though interested in a general way in history, have not had the time or opportunity to read a consecutive history of Europe. Its plan is to present the leading features of important epochs by centering the treatment about the personality of the leading figure of that period. The author has shown skill in the selection of his subjects and in the manner in which he has woven into the various biographies an account of the conditions and tendencies of the times. Thus his treatment of Charlemagne, Richard the Fearless, Gregory VII, Philip Augus-

tus, Frederick II, Charles IV, Lorenzo de Medici, Columbus, Luther, Philip II, Gustavus Adolphus, Louis XIV, Frederick the Great, Napoleon, Cavour and Bismarck constitutes a very readable outline of the chief movements of European history. No new or unusual views are set forth, but the author has based his writing on good general histories and comparatively few mis-statements or unwarranted generalizations are observable. The ease and clearness of its style make the book pleasant reading and it ought to appeal strongly to the audience to which it is addressed.

RACINE, SAMUEL F. *Accounting Principles*. Pp. xv, 280. Price \$3. Seattle: Western Institute of Accounting, Commerce and Finance, 1913.

This volume is another endeavor by an accountant to fill the gap which has existed between books on bookkeeping and those on advanced accounting. The author has not been consistent with his purpose, as he has presupposed too great a knowledge on the part of those familiar only with bookkeeping. This has been caused probably by his desire as stated in the preface "not only to cover the field of the C. P. A. examinations, but also to confine the work within one volume." Sufficient explanation has not been given to fundamental principles to produce the best results for the student.

The best treatment is found on such subjects as investments, depreciation, goodwill and reserves and undoubtedly the text will be valuable to more advanced students as a reference book on these subjects. The book also contains a very good collection of C. P. A. questions on the theory of accounts.

ROBERTS, ISAAC. *Looking Forward*. Pp. v, 315. Price \$1. Philadelphia: Roberts and Company, 1913.

This book is written by the author of the book which appeared in 1896 entitled *Wages, Fixing Incomes, and the Free Coinage of Silver*. It is popularly written in conversational style. Its purpose is to make highly popular the arguments for coöperation. It is a valuable work.

ROOT, ELIHU. *Experiments in Government and the Essentials of the Constitution*. Pp. iv, 82. Price, \$1. Princeton: Princeton University Press, 1913.

This work is composed of lectures, known as the Stafford Little Lectures, given at Princeton University in 1913. It is an argument against the initiative, compulsory referendum and popular review of judicial decisions, especially as applied to the national government. The author also defends the principle of constitutional limitations. The subjects are discussed on a very high plane. Probably no more dignified discussion has yet appeared in book form.

VAN ANTWERP, W. C. *The Stock Exchange from Within*. Pp. 459. Price, \$1.50. New York: Doubleday, Page and Company, 1913.

Although this book is not an official defense of the New York Stock Exchange, it states clearly the attitude of the officials and members of that organization. There is no attempt by the author to give a complete presen-

tation of the case against the exchange and relatively little space is given to answering the usual criticisms. There has been no better general defense of the exchange written in recent years.

Writing for the general reader, the author makes no attempt at a technical defense such as was officially presented to the committee in the money trust investigation by counsel for the exchange. The argument is presented throughout in a pleasing, popular manner, and as there is no attempt to present both sides of the case, any reference to omissions would be inappropriate. Among the best chapters in the book is the one describing and comparing the London Stock Exchange with the one in New York.

VAN KLEECK, MARY. *Artificial Flower Makers*. Pp. xix, 261. Price, \$1.50. New York: Survey Associates, Inc., 1913.

With the same picturesque fidelity to facts which made her *Women in the Book-Binding Trade* so effective, Miss Van Kleeck tells the story of the artificial flower makers. Her method of approach is wholly scientific. There is in her work none of the so-called "human element" which has characterized so much recent literature. She is dealing with facts of the Gradgrind variety, and she does not hesitate to recognize their true characteristics. The committee on woman's work, as well as the Russell Sage Foundation, should congratulate themselves on Miss Van Kleeck's achievement.

WINDER, PHYLLIS D. *The Public Feeding of Elementary School Children*. Pp. xi, 84. Price, 75 cents. New York: Longmans, Green and Company, 1913.

Perhaps the most significant thought emphasized in this intensive study is stated as follows: "Defective nutrition stands in the forefront as the most important of all physical defects from which school children suffer. Indisputable though this fact is, there is no subject the elucidation of which is more baffling to the medical inspector, no condition more difficult to estimate accurately with causes more complex and interwoven" (p. 13). The report then calls attention to the fact that scientific medical inspection shows undernutrition to be extensive. Careful social analysis shows that "although poverty and ignorance are the principal sources of malnutrition, actual lack of food is only one of its many immediate causes." If the author can succeed in doing nothing else than convincing the schools that proper training in domestic science will, on present wages, do much to eliminate undernutrition, she will more than have done her duty.

## REVIEWS

BLOUNT, JAMES H. *The American Occupation of the Philippines*. Pp. xix, 664. Price \$4. New York: G. P. Putnam's Sons, 1912.

This book is a history of the American occupation of the Philippines and a vigorous indictment of our attitude toward the Filipino people in the matter of their self-government, from our alleged early double dealings with Aguinaldo to the year 1912.

The author spent six years in the Philippines, two (1899-1901) as an officer in the volunteer army, and four (1901-1905) as judge in the District Court. He believes that the Filipino people are essentially one people, that notwithstanding whatever conscious political unity they may have lacked in 1898 they "were welded into absolute oneness as a people by their original struggle for independence against us, and will remain forever so welded by their incurable aspirations for a national life of their own under a republic framed in imitation of ours." The Filipinos are much more capable of self-government, he believes, than are the people of Cuba to whom we gave self-government. The author cites convincing evidence to show that the revolts against the American government from 1902 to 1906 were much more widespread and serious than the authorities were willing to permit to be known in the United States. It is shown that the political situation at home was largely responsible for the suppression of this information, and likewise for the unwillingness of the government to use the United States troops then in the Philippines to promptly quell these insurrections. An insurmountable obstacle in the way of successful colonial government by the United States in a distant country the author finds in home politics.

Judge Blount's program is for the United States to declare at once a definite policy for the Philippines, announcing a date in the near future when it will turn over the government to the Filipinos, providing first, however, for the neutralization of the Islands by treaties with the other great powers.

The book is full of interesting anecdotes and personal experiences. Its political philosophy is that of the period of the Declaration of Independence and the French Revolution. Although the book is well documented, it cannot be called a carefully balanced history. It strongly exemplifies the merits and the defects of "history told by contemporaries." There is much light but unfortunately also much heat. As an example of the latter, the chapter entitled "Non-Christian Worcester" may be cited. Here the author contends that the publicity given in the United States to Commissioner Worcester's ethnological studies of the wild tribes of the Philippines, including an exhibition of some of these peoples at the St. Louis Exposition, has given many Americans the false idea that these wild people are representative Filipinos. Because of the possible bearing of this false belief upon the attainment of their aspirations for self-government, the Filipinos have become embittered against Commissioner Worcester and other Americans concerned. The truth of this contention, however, is far from a justification of the extreme language used throughout this chapter, of which the following is an example. After citing ex-President Taft's statement that he considered Mr. Worcester "the most valuable man we have on the Philippine Commission," Mr. Blount says that he considers him "the direst calamity that has befallen the Filipinos since the American occupation; neither war, pestilence, famine, reconcentration, nor tariff-wrought poverty excepted." Nor does it justify devoting an entire chapter to Commissioner Worcester and ignoring absolutely his most valuable work in connection with public health, forestry, science, and public lands. The bureaus dealing with all of these subjects, among others, come under the Department of the Interior of which he has been head since 1901.



The reviewer, who himself spent several years in the Philippines, does not believe that the Filipino people are welded so closely together as the author contends. It is one thing to be practically a unit in favor of independence as against a foreign invader; and quite another to be capable of self-government after that invader has departed: it is one thing for Aguinaldo to have an efficient military government and quite another for the Filipino people to elect capable and honest men as municipal officials. Of the experience with municipal presidents, municipal treasurers, and with justices of the peace as a test of capacity for self-government, the author tells us too little. Whether or not a self-government so poor as that which would result if the United States would *promptly* withdraw from the Philippines would be better for the Filipinos than the present partial self-government under American tutelage, is a difficult question. Judge Blount answers it emphatically in the affirmative; the reviewer answers it less emphatically in the negative. Both agree that the United States would be better off without the Philippines than with them.

E. W. KEMMERER.

*Princeton University.*

*The Catholic Encyclopedia.* Vol. xv. Pp. xv, 800. Price, \$6. New York: The Encyclopedia Press, 1912.

The appearance of this volume brings to a conclusion a work which reflects great credit on its able board of editors and which will do much to enlighten the general body of Catholics as to their own church as well as to inform outsiders of its authoritative teachings and its attitude toward the great questions of the day. The present volume exhibits the same general characteristics as the earlier ones, though it happens to contain fewer articles of fundamental importance. Such subjects, however, as tradition and magisterium, tyrannicide, ultramontaniam, war, antiquity of the world, woman, cannot be neglected by those who desire to understand the position of the church in the thought of the time. Information difficult to obtain elsewhere is to be found under universities, where there is a brief account of the individual Catholic foundations in Canada, Ireland, Spanish America and the United States, and a general account of the institutions in other lands; and in the article on the Vatican, where, after a full description of the buildings and their history and of the various collections therein, is given an account of the great library with details as to the arrangement and number of manuscripts the most accurate yet published and representing the state of these treasures up to December 1, 1911.

The chief value of the *Encyclopedia* to non-Catholics lies in its accurate presentation of Catholic views, and while the work is not published by the church officially, its authority is guaranteed by the supervision of the proper censors whose imprimatur is found in each volume. That their work has been done conscientiously is seen in two or three of the items found in the errata at the end of the last volume. Here some 25 pages are devoted to the correction of minor errors of the work, such as spelling, dates, omissions in bibliography, etc. But in the first two volumes two places were discovered where

the contributors had not sufficiently guarded against the suspicion of modernism, viz., in the articles on absolution and apologetics. The correction made in the first of these may be quoted as an example of the care with which the whole work has been supervised. Professor Hanna, of St. Bernard's Seminary, Rochester, had allowed himself to say: "But it is one thing to say that the power of absolution was granted to the Church and another to say that a full realization of the grant was in the consciousness of the Church from the beginning." In the errata we are told to substitute for this passage the following: "Though it is clear that this power of absolution was granted to the Church, and therefore known to the Apostles and their successors, the teaching body of the Church, from the very beginning, still it requires careful study to trace the tradition of this grant (the exercise of this power) and its realization in the practice of the faithful back to the first centuries," etc. The scrupulous care for historical accuracy likewise is illustrated in the errata in connection with the article on St. Anthony of Padua. In the story of the saint's important labors for the faith readers of the first volume had been somewhat surprised to find so much emphasis laid on his miracles, particularly the story "of a horse, which, kept fasting for three days, refused the oats placed before him, till he had knelt down and adored the Blessed Sacrament which St. Anthony held in his hands." The historical evidence for this fact was evidently misinterpreted in one respect, for in the errata we are directed "for horse read mule."

A. C. HOWLAND.

*University of Pennsylvania.*

COPELAND, M. T. *The Cotton Manufacturing Industry of the United States.* Vol. viii. Pp. xii, 415. Price, \$2. Cambridge: Harvard University Press, 1912.

Mr. Copeland's book presents a very complete analysis of the conditions, both manufacturing and commercial, of one of our most important industries. Practically every phase of the cotton manufacturing industry is discussed, and the factors influencing its development are very ably brought out. Although a large part of the discussion is taken up with conditions in the United States the development of the cotton industry in foreign countries is given sufficient attention to make clear the position of the United States as a present and possible future factor in the world's cotton trade. One of the best features of the book is the way in which Mr. Copeland brings out the effect of the scarcity and high cost of labor in the United States on the stimulation of invention and the development of labor-saving machinery, which have made our cotton-manufacturing industry so different in many ways from that of our European rivals. The book also contains the best discussion of the geographical development of our cotton manufacturing industry that I have ever seen. The analysis of the development of the industry in our Southern States and the effect it is having on the industry of the older sections is especially good.

The changes that are taking place in the commercial organization of the industry are pointed out. A comparison of the costs of manufacture and the

labor conditions in this country is made with similar conditions in the great European cotton manufacturing districts. The book impresses one as an impartial and careful study, based on wide research and personal investigation. Studies of this kind, making clear the conditions and progress of our great industries, are of especial value in throwing light on some of the great industrial problems that are confronting us at the present time.

A. G. WHITE.

*University of Pennsylvania.*

FAIRCHILD, HENRY P. *Immigration*. Pp. xi, Price, \$1.75. New York: The Macmillan Company, 1913.

The purpose of this book is to treat immigration not simply as an American public problem, but as a sociological phenomenon of world-wide significance. The author frankly acknowledges the difficulty of carrying out such a purpose completely, owing both to the enormous mass of data to be collected and digested and to the highly dynamic nature of the subject.

In fact, the subject matter of the book is almost entirely drawn from American sources. It seems to us, however, that without delving too deeply into European material, Professor Fairchild could have made profitable use of a prolific modern literature on migration in the countries where emigration is as much of a public problem as immigration is for us. Italy, for example, has a voluminous output of reports, books and articles which are most suggestive and interesting. We note that the author's bibliography is almost barren of such references. On the other hand the study of American sources is comprehensive and painstaking.

The historical survey of immigration to this country up to 1882 gives some interesting material not generally available. The description of modern conditions covers more familiar ground. In the discussion of the effect of immigration we should be better satisfied if Professor Fairchild would give briefly the facts upon which to base some of his conclusions rather than a string of opinions of "eminent authorities." This leads to the suspicion that the "imposing weight of authoritative opinion" which he adduces, is called upon to eke out gaps in the data.

As to practical policy the author advocates a radical restriction of immigration until such time as some form of international regulation can be adopted, based upon sound social principles, and taking all interests into consideration. His general conclusion is that immigration as at present conducted, while not an unmixed evil to any of the parties concerned, involves many serious disadvantages to this country, to the countries of origin and to the immigrant himself.

KATE HOLLADAY CLAGHORN.

*New York School of Philanthropy.*

FULLER, SIR BAMPFYLDE. *The Empire of India*. Pp. x, 394. Price \$3.00. Boston: Little, Brown and Company, 1913.

This is the best of the volumes appearing on this interesting series describing the British colonies. In interest, of course, India to the average reader

overtops the other possessions because its population is one-fifth of the world, its civilization is ancient, its social, political and economic problems complex. The chapters of this book reveal long experience in Indian affairs, and the author shows that he possesses to a remarkable degree not only the ability to see the virtues but also the shortcomings of English rule. His interpretation of the native viewpoint is sympathetic without being propagandist. The most interesting chapters, however, are not those which deal with local politics and imperial relations but with the economic conditions of the country and the social and religious life of the people.

The introductory discussion portrays the physical regions of the sub-continent and its natural history. Next are discussed agriculture, the increase of population made possible by England's abolition of incessant petty war and the consequent aggravation of the famine danger. The extent to which the government has relieved the dependency on the natural rainfall by irrigation, railways and industrial developments is outlined. Next the peculiar complications of social life are given attention, especially the tendencies toward the disintegration of caste, religious and race distinctions. In the section on government an unusually interesting chapter deals with the native states and their relations to the central government. Special emphasis is placed upon what has been accomplished through the law courts and the technical activity of the government. The closing chapter on political conditions is an interesting estimate of what India would be without England. The author declares that those who wish the entire withdrawal of English control are a small minority. The great majority of those who are sufficiently educated to have a reasoned opinion believe that such a move would not mean a free India, for other countries would replace English domination in a form even less acceptable and that even if not interfered with from without, freedom from England would mean only a return of constant internecine strife.

Though a volume of this size cannot give more than a sketch of the most highly valued possession of the English crown, this is one of the best books which have recently discussed its problems. The author speaks from first hand knowledge and his sense of perspective is excellent. The book has a good map and striking illustrations.

CHESTER LLOYD JONES.

*University of Wisconsin.*

GIBBON, I. G. *Medical Benefit in Germany and Denmark*. Pp. xv, 396. Price, 6 shillings. London: P. S. King and Son, 1912.

Sickness insurance, although one of the earliest forms of workmen's insurance, is at the same time the most difficult to administer; for no other form of insurance is it so difficult to secure an adequate actuarial basis; no other form of insurance deals with so large a number of conditions, contingencies and circumstances, and no other branch of insurance is so liable to abuse. Feigning of sickness, malingering and valetudinarianism are grave obstacles to the successful administration of sickness insurance. The matter of the provision of sickness benefit in kind and of freedom in choosing a physician are other stumbling blocks to smooth an efficient administration.

Dr. Gibbon's monograph is an intensive study in the field of medical benefit. It does not deal with history or political philosophy but it is devoted to an analysis of the existing systems of sickness insurance administration with a view of bringing order out of chaos, of laying down certain guiding principles which should replace the existing "rule of thumb" methods. He has chosen Germany and Denmark for his field of study because of the wide extension of sickness insurance in these two countries, and because of the contrast they afford—insurance in one being compulsory and in the other voluntary. On the basis of this study he formulates a series of interesting deductions varying in importance and value. The most interesting of the conclusions are: (1) That medical service should be provided mainly in kind; (2) that in sickness insurance free choice of doctor should be conceded; (3) that there are considerable advantages in making the insured pay for part of the cost of medical service out of his private resources; (4) that the provision of institutional benefit is essential for adequate medical treatment; (5) that systematic provision should be made for educating the insured public as to medical treatment in matters of health; (6) that provision of an adequate system of home nursing is desirable; and (7) that societies should be allowed liberal discretion as to the manner in which medical and surgical requirements shall be provided. There is a great number of other conclusions, which cannot be mentioned in this short review. The author arrives at his conclusions dispassionately and impersonally after having carefully looked at the problem from various points of view. In one or two instances he slightly deviates from his rule to show his attitude toward socialistic schemes and methods. Discussing the curious situation of the most obstinate opposition of societies to the free choice of doctors when "the ordinary man does not wish to have his doctor nominated for him," he is willing, among other reasons, to ascribe it to the fact that the managers are socialists and in close touch with avowedly social democratic organizations, and then again he shows it in his refutation of the arguments for a unified medical service.

The book suffers from many repetitions but is a valuable contribution to the literature on the subject.

E. H. LEWINSKI-CORWIN.

*New York Academy of Medicine.*

HEISLER, R. C. *Federal Incorporation*. Pp. viii, 231. Price \$3.50 Boston: The Boston Book Company, 1913.

The general discussion of federal incorporation, both in the messages of our Presidents and elsewhere, has attracted attention to the legal and constitutional questions involved. Mr. Heisler has presented these questions admirably and succinctly and to the more important of them his book also offers a brief statement of the probable answer. The style is clear and readable; the latest cases have been carefully read, and their bearing on the main question is well brought out. Some idea of the practical nature of the treatment may be had from the following examples of the questions discussed.

If Congress has the authority to charter railway companies, which carry trade from state to state, has it also the right to incorporate a trading com-

pany, which will buy and sell between states? The author finds that this power undoubtedly resides in Congress, since, in the words of Chief-Justice Marshall: "Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consist with the letter and spirit of the Constitution, are constitutional."

But can Congress also charter companies to engage in interstate commerce, and allow these companies the privileges of intra-state trade? Here again the author answers affirmatively. In so far as local state trade is necessary in order to carry on the general business of the company, it would have the desired privilege, following the decision in *Osborn vs. the Bank*. Necessarily this local business would be subject to the control of the state in which it was situated.

Could Congress also confer the right to produce or manufacture? Here the author disagrees with Mr. Garfield, whose well-known report, as commissioner of corporations, contended for the power. Mr. Heisler finds that the sharp distinction which our supreme court has made in *Kidd vs. Pearson* and *U. S. vs. E. C. Knight*, between manufactures and commerce, would utterly preclude the possibility of a federal charter with manufacturing power. But there is no constitutional objection to a federal corporation engaging in manufacturing if the states allow it to do so. On this point the author's view is less convincing.

In addition to these interesting problems, the author takes up the question of state powers over interstate companies chartered by the federal government, and the jurisdiction of the federal courts over suits involving federal corporations. The work is well balanced and should prove of value to the general student as well as the legal practitioner.

JAMES T. YOUNG.

*University of Pennsylvania.*

HIGGINS, A. PEARCE. *War and the Private Citizen*. Pp. xvi, 209. Price, 5 shillings. London: P. S. King and Son, 1912.

This is another of those admirable English books clearly written for the general reader, yet full of instruction for all students of international law and naval warfare.

The results of the discussion of the introductory chapter are well given in the following words (pp. 64-65): "But when all these ameliorations are taken into consideration it remains evident that both in naval and land warfare the private citizen is still subject to great dangers and losses. Forced labor may be requisitioned, private property of every description can be commandeered for the use of the invading army, foodstuffs of all sorts compulsorily purchased, and several of the most powerful military states still insist on retaining the right—one of the most objectionable of the usages of war—of forcing non-combatant individuals to act as guides to the army of invasion."

Passing to a consideration of some of the more important of the disputed points in naval warfare, Dr. Higgins discusses the liability to seizure of hospital ships for the carriage of passengers and crews of destroyed prizes.

In the Russo-Japanese war this was one of the grounds for condemning the *Aryol*. This question is closely related to that of the destruction of prizes and the provision to be made for passengers and crew. It is natural to find a British authority denying to hospital ships the right to take over passengers and crews, for Great Britain can easily discharge those on her ships at one of her ports. Other navies without such facilities may find the sinking of prizes very embarrassing. It is hardly probable that the other nations will allow Great Britain's peculiarly advantageous position to interfere with a humanitarian solution.

As regards the treatment to be accorded ships chartered by newspaper correspondents, the conclusion is reached (p. 107) that the "exclusion of newspaper steamers from a given zone of sea or their admission under strict belligerent censorship is to be preferred" to any other solution.

The conversion of merchant ships into war ships is regarded as "part of a wider topic, namely the legitimate combatants in the prosecution of war at sea," and the definition of privateering is closely examined. As the author states (p. 159) "the failure to reach agreement [at the London conference] on the subject of the place of conversion of merchantships was caused by the refusal of states to accept a compromise on a question of policy which they believed themselves able to carry out in case they were belligerents, and which they considered of too great value to permit of compromise." The situation is pregnant with danger, for where the conversion is not recognized as legal, Great Britain scarcely veils her threat to treat the crew under certain circumstances as pirates. "If," concludes the author (p. 165), "the official and professional combatants are to treat non-combatant persons with leniency, and carry out the principle of sparing unarmed enemy subjects in person, property and honor as much as the exigencies of war allow, there must be no hazy line of demarcation between combatant and non-combatant."

A discussion of neutrals and closed trade brings this remarkable little book to a close. To follow the very able and fair-minded presentation, logic would seem to favor subjecting a neutral engaged in this trade to seizure for unneutral service, but before we suffer ourselves to be convinced, we must dig still deeper and consider the question from every aspect. Does it seem reasonable that two nations, because they have different régimes as to coasting and colonial trade in time of peace, should find themselves upon a different and unequal footing when it comes to a death struggle between them? Is it sufficient to reply that this eventuality could and should have been foreseen? When a state no longer has control of a port in the hands of insurgents, it cannot close the port to foreign trade by proclamation, but must rely upon a *de facto* blockade. Why then, when it may have lost *de facto* control of trade between its outlying possessions, should a regulation made for a condition of peace put it at a disadvantage with a combatant who has made no such regulation? Are not blockades and the other recognized restrictions of trade with the belligerent sufficient? Powerful neutrals are likely to find some means to secure a lucrative coasting and colonial trade held open to them. The restrictions on coasting and colonial trade are always regarded with jealousy by other nations and would be soon removed if the enforcing

nations should lose the strength to maintain them. When war breaks out, they would be continued if possible, but when the circumstances of the conflict render this impossible, neutral nations regain commerce previously withheld. True, the cession may be by decree as though freely granted, but in point of fact it is a pill the harassed belligerent has to swallow.

ELLERY C. STOWELL.

*Columbia University.*

HOBSON, JOHN A. *Gold, Prices and Wages*. Pp. xiii, 181. Price, \$1.25. New York: George H. Doran Company, 1913.

With the exception of Professor Fisher's *The Purchasing Power of Money* there have been few important contributions to the theory of money for several years. Mr. Hobson has, however, presented in this volume a vigorous and stimulating explanation of the relation between money and prices. Instead of the usual elaboration of the quantity theory, a new explanation is advanced and the traditional view is vigorously attacked.

The author takes direct issue with the quantity theorists. If their explanation is anything more than the mere truism that "a price expresses the ratio between the quantity of money paid for goods and the quantity of goods sold," it is incorrect. "The normal direct source of money at any time is payments for goods," and "the supply of money, the aggregate of purchasing power expended upon the supply of goods during any given year," consists of (1) the gross receipts from the payments or purchases made during the year, (2) the additional gold or notes issued as currency during the year, and (3) the additional credit issued as loans, discounts or other advances by banks.

An acceleration in the supply that comes as income from the sale of goods cannot be attended by a rise in prices, because it implies an increase in the quantity of goods equivalent to the increase of money. Hence the rise of prices during recent years is to be explained by an increase of gold or of credit.

Both have contributed, but the increased output of gold is relatively small and would at the most influence prices less than one-tenth per cent per annum. The increase in credit, however, has been very great and has been due to an enlarged demand for capital to be used for development purposes. This demand has raised the rate of discount charged by the banks and has caused them to scramble for the new supplies of gold. This is the converse of the usual explanation that increased supplies of gold have increased the lending power of the banks and explains the rising rate of discount as the current view does not. In other words, "the supply of gold has been inadequate to keep down the price of money." The growth in bank credit has been made possible by the great increase of collateral in the form of stocks and bonds.

This vast increase in the supply of money has been accompanied by a retardation (not an actual decrease) in the supply of consumption goods. An increasing proportion of money is expended upon fixed investments, luxuries, wasteful processes of competition, etc. The investments in capital goods may ultimately be so productive that the increased supply of goods will lower their prices but temporarily labor and capital are withdrawn from the field of consumption goods and hence their production is retarded.



Much of this is not inconsistent with a quantity theory of money. The difference between the two views is found in the author's insistence that a high discount rate during a period of rising prices is not to be explained by the quantity theory and in his contention that the velocity of circulation of money and the volume of credit bear no determinable relation to the supply of gold. Moreover, there is a growing tendency to ignore the intrinsic value of gold, which is becoming a form of token money. Except in financial crises, money has no purchase-price. It is "owned" only by governments, banks and other financial firms and is "let out" by them to individuals at a "hire price" which is collected as brassage, or through taxation by the governments and as discount by the banks.

The argument throughout the book is largely *a priori* and perhaps necessarily so in the absence of reliable statistics. In the few instances where concrete proof is introduced, it is not convincing. In spite of this weakness, the author has presented the strongest attack on the quantity theory that has as yet appeared, and explains more satisfactorily than has anyone else the relation between rising prices and a high interest rate.

E. M. PATTERSON.

*University of Pennsylvania.*

HOWE, FREDERIC C. *European Cities at Work*. Pp. xiv, 370. Price, \$1.75. New York: Charles Scribner's Sons, 1913.

This book happily treats the newer functions that the German and British cities are assuming. It is readable, yet well supported; accurate, yet the author has been able to get above his details. He discusses the housing undertakings; socialization of transit in British and in German cities, municipal markets, state-owned railways, municipal theatres and pawn-shops, bakeries, saving banks, sewage disposal, real estate ventures, city plans, civic centers, workingmen's cottages, municipal slaughter houses, school expenditures, manual training, city debts; the limitation of uses to which urban land can be put, the water-fronts of German cities, recreation centers, the parcel posts in Germany and Great Britain; municipal sanatoria, municipal loans to workmen, the budget of the German city, business taxes, elevated railways, taxation of land values, unearned increment taxes, legal aid departments, license taxes, unemployment insurance, waterway improvements, water communications, workingmen's tickets, and in general all that the German and the British cities are doing to further sane community life and to further the well-rounded development of the urban citizen.

Of special interest are the descriptions of the way the German cities determine the uses to which land can be put by the owners. Factories are required to locate upon the railway or harbor and on the side of the city away from the prevailing winds. Terminals and railway bridges are built with switches, sidings and spurs, which are linked up with the canals and waterways to ensure the economical handling of freight. The territory near the factory district is dedicated to workingmen's homes. The streets are planned with this object in view, and neighborhood parks, playgrounds, and public baths are usually provided. Through the zone system the direction and character of future city

expansion are controlled. The council divides the city into districts in which the building regulations are fixed in advance of local development, limiting the amount of land that may be covered by buildings, the height of the structures that are to be erected, the distance that dwellings must be located back from the streets and the space that must be left between buildings. To further their control many cities own a large percentage of urban real estate. Thus Frankfurt owns 48.9 per cent of the land within its limits; Ulm owns 80 per cent; Mannheim, 35.4 per cent and Hanover, 37.7 per cent. Berlin, including the area owned outside of its boundaries, owns land to the extent of 240.8 per cent of its total area.

It is such facts as the foregoing that characterize this suggestive discussion of the newer social, economic and political activities of European cities.

CLYDE L. KING.

*University of Pennsylvania.*

KEITH, ARTHUR B. *Responsible Government in the Dominions*. 3 vols. Pp. lxxiv, 1670. Price, \$12.75. New York: Oxford University Press, 1912.

The publication, within two years of the second edition of Moore's *Commonwealth of Australia*, Ashley's *British Dominions* and Keith's *Responsible Government in the Dominions* combined with the announcement of the early appearance of the revised edition of Lefroy's *Legislative Power in Canada* indicates a growing interest in the study of the institutions of the self-governing colonies of the British empire. Confining the survey of comparative government to the classic group, England, France, Germany and the United States—to the utter neglect of such rich fields of investigation and comparison as those afforded by the English colonies and the Latin American states—can no longer commend itself to students of this branch of political science. In many respects the parliamentary system of government is undergoing its most interesting modifications in the self-governing colonies and to Americans these changes have a peculiar significance. Such experiments as the one in Australia where an effort is being made to engraft the American doctrine of judicial supremacy upon the parliamentary system as a basis are being carefully scrutinized by friends and critics of the American government.

In view of the great interest in the government of the colonies the publication of this comprehensive and authoritative work dealing with the federal systems of Canada, Australia and South Africa, comes as a most welcome addition to the literature of comparative government. As a continuation and development of the ground covered in *Parliamentary Government in the Colonies* by Todd, this work will no doubt take a high rank.

The author discusses fully the origin and history of systems of self-government in Canada, Australia, New Zealand and South Africa. Under the title executive government, the powers and position of the governor and the cabinet system in the colonies are analyzed. Parliaments of the dominions are treated from the point of view of (1) powers and limitations; (2) organization of houses; (3) privileges and procedure; (4) constitutional relations. The federal systems of Canada, Australia and South Africa are then taken up in turn and the various relations of the dominions and provinces are thoroughly

described. Imperial control over legislation and administration receives careful consideration, and final chapters are devoted to the judiciary and church in the Dominions and to imperial unity and coöperation.

Eminently fitted by his thorough training and wide familiarity with colonial institutions the author has undertaken to describe the legal basis and practical working of the institutions of the English colonies. For a painstaking analysis of the steps in the development of self-government in each of the colonies he has placed all students of English colonial institutions under deep obligation. The portions dealing with the growth of the ideas and principles of colonial self-government are particularly exhaustive. In fact the very thoroughness and completeness with which the subject has been treated will render the work difficult to use for those who are students and not officials or experts in colonial government.

From the standpoint of the student of politics the author has used documentary material too freely. Frequently long letters, papers or dispatches are given in full when only small portions bear directly on the point under discussion. The work would have proved much more readable and for many purposes more useful if the author had chosen to condense these official papers. Certain portions of the volumes suffer particularly in this respect. In discussing the powers and prerogative of the governor (pp. 105-114 and pp. 193-239); the rule for disallowance of colonial legislation (pp. 1042-1047); and in the treatment of trade relations and the currency (pp. 1160-1187), as well as in other instances official documents are used to such an extent that the volumes take on the form of a source book rather than a systematic treatise.

While this plan of treatment has no doubt distinct advantages for the host of colonial officials and experts who will find invaluable aid in the publication of lengthy papers it renders the volumes too large and the style too cumbersome for others than specialists in colonial administration.

The effort to treat the peculiarities of each of the self-governing colonies with regard to matters of even minor detail renders the discussion in many places confusing and emphasizes the complexity and vagueness which at times appears to enshroud responsible government. This difficulty perhaps is unavoidable, but it raises the question whether a volume dealing with each of the colonies is not more practicable and effective than an attempt to treat all in one work.

The imperialistic sympathies of the author at times tend to color his criticism of colonial institutions or politics. These sympathies are apparent in such comments as that with regard to the attitude of the Australian high court in its attempt to apply the American doctrine of implied prohibitions so as to render immune from taxation the instrumentalities of state and federal government. If one may judge from the continuance of the high court in its position and the confident assurance of Australian commentators that the right course has been chosen the attitude of the court is not so far wrong as one might be led to assume (pp. 833-834).

The volumes contain a wealth of material not otherwise accessible and they render possible a careful and accurate survey of the political systems of each of the self-governing colonies. When parliamentary government in

the colonies receives the attention which it well deserves on the part of students of political science this work will render invaluable aid in the comparative study of governmental institutions.

CHARLES G. HAINES.

*Whitman College.*

KOESTER, FRANK. *The Price of Inefficiency*. Pp. xxiv, 439. Price, \$2. New York: Sturgis and Walton Company, 1913.

In this book the author treats a large number of subjects which range from the wastes of our political system, the waste of human life, the waste of monopoly, etc., which are properly included under the above title, to various topics which afford the opportunity of a discussion favorable to socialism, and finally to many matters treated for the most part by an unfavorable criticism of American affairs in general. American divorces, pancakes, and laws for the sterilization of certain criminals, illustrate the range of American institutions that are severely condemned.

The book contains many evidences of having been put together in haste, e.g. on p. 41, "It may best be indicated by a quotation for the author's work," on p. 173, "neither using the invention itself or allowing anyone else to do so," on p. 222, "neither by the politicians or capitalists," on p. 37, quoted matter, "The production for 1907 included 395,000,000 tons of bituminous and 85,000,000 tons of anthracite coal. . . . The available and easily accessible supplies of coal in the United States aggregate approximately 1,400,000,000 tons. At the present increasing rate of consumption, this supply will be so depleted as to approach exhaustion before the middle of the next century." It most certainly would in less than four years.

The unbounded praise of things German reminds one of the praise given them by Tacitus and is doubtless included for a like reason.

Those portions of the book which deal with specific wastes and in which an attempt is made to state their pecuniary measurement furnish a comprehensive survey of matters which are remediable. These are based on facts which all know, and in general are estimated on the opinions of those best qualified to make approximate estimates. These wastes are enormous and their extent is well stated by the author.

On the whole the book is at least a fair one and includes some good chapters. A more accurate title for it would be "A German American's Criticism of American Institutions" than its timely title of *The Price of Inefficiency*.

MAYNE S. HOWARD.

*New York City.*

LE BON, GUSTAVE. *The Psychology of Revolution*. Pp. 337. Price, \$2.50. New York: G. P. Putnam's Sons, 1913.

Since the author published his *Psychologie des foules* in 1895, there has been an ever increasing interest in the interpretation of crowd conduct. In the present volume the author attempts an interpretation of the general phenomenon of revolutions on a purely psychological basis. Both at the beginning and at the end of the volume general principles are discussed, but

the interpretation of the French revolution is the central theme. It is only by supplementing rational logic, which generally has been falsely regarded as voluntary and rational, with an appreciation of the rôle played by affective, collective and mystic logic that an explanation can be had of the force of "beliefs which no reason could justify." The events of the French revolution illustrate the effects of certain types of mind and of powerful leaders upon group conduct. Prejudice, fear, hate and timidity are most potent factors. Jacobin religion, the mystic mind and irrational beliefs, rather than economic and social forces, determined the trend of events and constituted the real basis of the reign of terror.

To those who have a profound regard for the process of social causation, this book will seem as one-sided in its interpretation as a thoroughgoing determinism does to the author. That he has rendered a valuable service in emphasizing the psychological element, none will deny; but he has given scant consideration to the social and economic causes underlying the production of the types of mind so powerful in shaping the events of the revolution. Considered as one aspect of interpretation without which no adequate explanation can be had, the book is extremely valuable. It will arrest attention, and provoke discussion. No student of the French revolution can afford to neglect it.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

MOORE, BLAINE F. *The Supreme Court and Unconstitutional Legislation.*

Pp. 158. Price, \$1. New York: Longmans, Green and Company, 1913.

It is the view of Dr. Moore that criticism of the courts has reached an acute stage. Through the power to declare laws unconstitutional they have negatived reformatory measures of both legislative and executive branches of state and national governments. Men alive to the social and economic needs of the time therefore demand a limitation upon this assumed power. The author attempts a systematic study of just what the United States Supreme Court has accomplished by the exercise of judicial control, limiting himself, however, to court decisions as his source material.

The introductory chapter describes the various cases in state courts from the beginning of the revolution to the year 1803 which afforded precedents to the United States Supreme Court when in *Marbury vs. Madison* it definitely asserted and exercised the power to declare laws of Congress null and void. When the convention of 1787 finished its labors there had been but two cases in which state courts avowedly exercised this power in reference to their coördinate legislative bodies, but by the year 1803 the doctrine had been asserted more or less definitely in about fifteen cases in eight, possibly nine, of the original thirteen states. The judges were not so much influenced by actual decisions in other states as by the quickly formed concensus of opinion among them that judicial review was the inevitable consequence of the adoption of written constitutions. Yet there were eminent jurists among them who refused assent to the doctrine, and there was hot opposition outside the court room.

In the second chapter the attitude of the Supreme Court to judicial review is considered. It is shown that several of the Supreme Court justices when upon circuit duty not only asserted but exercised the power to declare both state and federal laws unconstitutional before the year 1803. Indeed there was one unreported case, soon forgotten, *United States vs. Todd*, decided in 1792, in which the Supreme Court itself exercised this power. The question really was settled by the action of the court in 1803 and by the acquiescence, however reluctant, of the other departments in subsequent years. Dr. Moore would have depicted the uncertainty of the situation before 1803 more clearly if he had quoted the statements of Justice Chase, extreme Federalist though he was, made in 1796, 1798 and again in 1800, to the effect that it was an undecided question where the power lay to declare laws unconstitutional, yet in the last named year Chase expressed his willingness to yield to the general sentiment.

Dr. Moore makes too much, it may be thought, of the mere presence or absence of expressions of regret when the court throws out legislation, either state or national. Nevertheless, taking these expressions in the large, it is evident that in the early years the court was awed by the independence and dignity of the sovereign states, and was bolder in its treatment of Congress than of the legislatures. Yet the time came when the state law-makers were lectured as if they were incorrigible children.

In the third chapter the author classifies and analyzes the thirty-three decisions of the court by which laws of Congress have been declared void. The court in one class of decisions has endeavored to maintain the balance of power between the three branches of the federal government, yet not vetoing the modern tendency to give administrative bureaus quasi-judicial authority. The court in another class has resolutely stood against federal encroachment upon state power, but at the same time it has vastly increased its own power by its interpretation of the fourteenth amendment, and it has hampered Congress in the attempted solution of social and economic problems. In a third class of decisions the court has aimed to protect private rights from encroachment by the public. Here the author thinks that the court has not subjected itself to criticism except in the *Adair* case where a law in the interest of organized labor was thrown out. When the court has attempted to solve fundamental political and social problems, as it has done in a fourth class of cases, it has failed in every important attempt. It must fail when it bases its decisions on the individualistic theories of the dead past and not upon the aroused conscience of the living present. Dr. Moore is doubtful of any solution of the problem of judicial control unless the Supreme Court itself voluntarily becomes liberal and tolerant enough to allow the national and state legislatures sufficient discretion to properly deal with the questions of our time.

The above conclusion, however, is based really more upon the control of the federal Supreme Court over state legislation than upon its control over national. The work of Dr. Moore is therefore incomplete in that he has not given us in another chapter a similar analytic treatment of the more important cases among the two hundred and forty-six in which state constitutions,

statutes and ordinances have been declared unconstitutional. Yet he has in a measure atoned for this omission by the carefully prepared tables which appear in the appendix.

CHARLES H. MAXSON.

*University of Pennsylvania.*

PARMELEE, M. *The Science of Human Behavior*. Pp. xvii, 443. Price \$2. New York: The Macmillan Company, 1913.

That sociological science in its development follows the same course as that in other sciences is again strikingly exemplified in the results of inductive research presented in this volume. The method employed is scientific and will meet with little criticism. Whether or not the author has interpreted rightly and synthesized correctly the positive results of modern biological and psychological knowledge remains for specialists in these fields to determine. It is always a hazardous undertaking to attempt to cover such a wide field of knowledge. Even if minute errors should be found, it will scarcely, we believe, diminish the value of the work.

He has traced with painstaking care the evolution of behavior in living organisms through tropisms, reflex actions, instincts and intelligence up to self-consciousness and collective behavior in man. Terms are defined with unusual clearness and though they may not be finally accepted by all, there is no uncertainty in the ideas presented. Perhaps the best example of this perspicuity is found in his discussion of the confused subject of instincts. Some will no doubt be dissatisfied with his definition: "An instinct is an inherited combination of reflexes which have been integrated by the central nervous system so as to cause an external activity of the organism which usually characterizes a whole species and is usually adaptive," but it has the merit, at least, of being perfectly definite and certainly will prove valuable in further study and discussion.

Again in his treatment of the causes of collective behavior, which is the real pursuit of the work, he has shown conclusively that function cannot be separated from structure in any adequate treatment and that no single socializing factor can be found sufficient to account for the social process. Collective behavior is not a distinct and separate type but is functionally and organically a part of a process which has its roots in the structure of the associating individuals and is conditioned by the environment. This idea, of course is as old as Spencer, but the author has given a new version of the unity of the whole process and given it a clearness not always perceived.

For those who have regarded sociology as an emotional or rhetorical subject we most heartily commend the reading of this volume. It will clear the atmosphere. Those who have read it will look forward eagerly for the appearance of the remainder of the series in which the author proposes "to deal with the evolution of human culture and of human nature on the basis furnished by this book."

J. P. LICHTENBERGER.

*University of Pennsylvania.*

POWELL, G. H. *Coöperation in Agriculture*. Pp. xv, 327. Price, \$1.50. New York: The Macmillan Company, 1913.

The coöperative movement in American agriculture has advanced only far enough to raise the question why it has gone no further, and the doubt whether a development here of coöperation comparable, for example, with coöperation in Denmark is reasonably to be hoped for. There are, in Mr. Powell's enumeration, associations of cattle-breeders, predominantly advisory and educational, grain elevator associations, which have been quite generally successful but thus far not uniting into central organizations; coöperative creameries, whose members are said generally to have no understanding of the fundamental principles of coöperation; cotton-farmers, who maintain coöperatively small neighborhood storage houses, but still lacking "a comprehensive system of credit and a system of marketing and distribution." The best developed organization here described is the California Fruit Growers Exchange, which supervises the work of the orchards and employs sales agents, giving information as to markets and prices, but leaving the individual shipper free as to prices and terms of sale. Our farmers have nowhere shown the capacity for joint action and the tolerance of democratic restraint exhibited in some European countries.

A purpose of coöperation not second in importance is a regulation of the particular industry, possible only by concerted action (forbidding the sale of damaged fruit, for example, preventing methods likely to result in damage to the fruit, etc). No system described in the book before us serves this purpose better than the purchase of eggs at a certain private creamery. The sellers are compelled to sign an agreement which would obviate the characteristic evils of the egg business, much as a coöperative association might lay down rules in the same matter. In that neighborhood the price of eggs has increased, because the quality has improved; the farmers have learned that it is profitable to keep poultry of good stock; even the local grocers are reconciled to losing the trade in eggs because the farmers have now a larger power of purchasing groceries. Though this creamery is private, it is "essentially coöperative," in that its owner and manager is a far-sighted business man, . . . content to take a small profit and to pay as liberally as possible for both cream and eggs.

Such cases as this suggest strikingly the possibility that merely a greater enlightenment on the part of middlemen might perhaps go far toward bringing order into our chaotic trade in agricultural products instead of the coöperative method for which the disposition has thus far seemed generally lacking.

Mr. Powell's discussion of the theoretical basis of coöperation is intelligent, though one must doubt his authority on matters of general economics when he assures us that the formation of labor unions has almost eliminated competition among laborers (p. 3).

A. P. WINSTON.

*Pearre, Md.*



SCOTT, J. W. R. *A Free Farmer in a Free State*. Pp. xlii, 235. Price, 6 shillings. London: William Hinemann, 1912.

The prosperity of the Dutch farmer is so pronounced that he "has ceased from grumbling, and . . . admits that he is doing very well." He has been driven to the exertion necessary in attaining this happy state, by "the gracious pinch of foreign competition" which impelled him to shift from wheat and buckwheat to butter, cheese, kitchen vegetables, bulbs and flowers. The necessary change in methods of production was accomplished through coöperative associations, which serve the supervisory and regulative purpose of guilds.

"Last year of all the 958 creameries in the country, 680 were coöperative; likewise 201 cheese factories out of 291. Education in agricultural science has aided; nearly every farmer one meets can talk about phosphoric acid and nitrogen. He can tell you the proportion of fat in milk and he sprays his potatoes."

In five years the annual output of butter has increased by 7000 tons. Fifteen years ago The Netherlands sent about 5,700 tons of bulbs in a twelve-month; the export is now thrice that weight. . . . In the course of several visits to Holland, I have never met any one who disputed the fact that in spite of the rise of food throughout Europe, food is still relatively cheap in Holland, and that more of it is eaten, or that wages are higher and people better housed." The percentage of illiteracy among recruits was 12.3 in 1880, but only 1.4 in 1909; the percentage measuring  $5\frac{1}{2}$  feet and over was only 28 in 1880, but 46.56 in 1909.

This is an Englishman's description of rural life in The Netherlands: full of praise, for the most part well deserved, though occasionally one may suspect a purpose of making the best possible case—as when the increase in rural population is shown by comparison with a date so far back as 1830: a more recent starting point would have been more significant.

A. P. WINSTON.

*Pearre, Md.*

SLATER, GILBERT. *The Making of Modern England*. Pp. xi, 308. Price, \$2.50. Boston: Houghton, Mifflin Company, 1913.

HAYES, CARLTON. *British Social Politics*. Pp. xi, 580. Price, \$1.75. Boston: Ginn and Company, 1913.

The appearance of these two books is particularly opportune. We have been watching with interest British experiments to solve social problems by legislation, and already have become imitators. Several states have established wage boards modeled on those of Great Britain rather than those of Australasia. Insurance against unemployment and against sickness is already being discussed. A large percentage of our workmen's compensation laws are modeled on those of Great Britain, and we have avoided, to a great extent, state insurance as developed in Germany.

Professor Slater's volume is a careful and lucid study of the forces—economic, social, political—that have made England what she is today. Special emphasis is laid on the development of the labor movement and of labor

legislation, on the development of tariff ideas and of the tariff and on changes in municipal government. This story of the growth of England from the close of the Napoleonic wars is interesting and is well told. The chapters on labor are probably the best. Professor Slater has summarized a mass of material in a remarkably short space. The book gives a vivid picture of England and of the forces that have been at work. It is unfortunate that there are no bibliography, citations and references, as these would have given the study greater value to the student.

Dr. Hayes takes up the story and in a source book gives us "first hand materials for the study of current social and political problems." Although the book is intended for college and university students, the short introductions to the material on the various subjects give it value for the more mature student and reader. In some cases, the bills under discussion by the members of Parliament who are quoted are given in their entirety, in others the important clauses are included. The subjects treated, workmen's compensation, trade unionism, child welfare, old age pensions, the unemployed, sweated labor, housing, Lloyd George budget, curbing the lands, national insurance, cover the important social legislation of the Liberal administration that came into power in 1905. The attitude of the various parties is shown in the speeches quoted. Dr. Hayes has assembled for us a group of very interesting and valuable documents, not readily accessible.

ALEXANDER FLEISHER.

*Philadelphia.*

SMITH, G. B. *Social Idealism and the Changing Theology*, Pp. xxiii, 251. Price \$1.25. New York: The Macmillan Company, 1913.

MACFARLAND, C. S. (Ed.) *Christian Unity at Work*. Pp. 291. Price, \$1; and *Report of Proceedings of the Second Quadrennial Council of the Federal Council of the Churches of Christ in America*. Pp. 140 (gratis with order for above book). New York: The Federal Council of Churches, 1913.

These three books are significant of the change that is rapidly taking place in the attitude of the church toward the problems of modern life. They represent both theory and practice. Professor Smith's book contains in substance the lectures delivered before the Yale Divinity School in 1912 on the Nathaniel William Taylor Foundation. It is a plea for the ethical transformation of theology to fit it to make its contribution to the civilization of our age. The author holds that "the movements of life in our day have brought to the front aspects of the social question sadly needing the guidance and control which can be supplied only by an ethical religion. The utterances of theology, in so far as it has followed traditional paths, have been somewhat remote from these pressing moral questions of social justice." Professor Smith believes that "the time has come when the secular forces of reform are crying loudly for the aid which can come only from a religious idealism" and it is to indicate the character this idealism must take that his book has been written. To make clear the latent religious values of those aspects of modern life which are holding the center of the stage today and to give them their proper place in systematic theology is a task of vital importance if the church

is to do its part in the development of the new social order. The book is a distinct contribution to this task. It is written with insight and discrimination. It may be specially commended to those who have come to feel that the church is hopelessly out of touch with the spirit of the age.

*Christian Unity at Work* is the official report of the addresses delivered at the second quadrennial session of the Federal Council of the Churches of Christ, which took place at Chicago in December, 1912. It gives an interesting record of the matters which engaged the attention of the delegates of the thirty or more religious bodies represented in the council, and is of importance as indicating the trend of religious-social effort and forecasting the future work of the federated religious forces of the nation. This book, together with the *Report of the Proceedings of the Council*, supplementary to it and containing the official minutes of the conference, reports of secretaries, etc., should be of great value not only to the student of "religion in social action" but to all who are interested in the progress of humanity towards the goal of social righteousness.

GAYLORD S. WHITE.

New York.

TODD, A. J. *The Primitive Family as an Educational Agency*. Pp. ix, 251. Price, \$1.75. New York: G. P. Putnam's Sons, 1913.

The purpose of the book, as its title indicates, is inductive study of the primitive family in order to discover its function in education. A great variety of sources such as books of travel, ethnography, history, folklore, etc., are drawn upon for the data of primitive family life. In order to discover the real function of the family, the author has investigated its origin and development, its changing forms, its incidental customs and traditions. He has studied marital, parental and filial relations, ideas of kinship and relationship, the aim, content, methods and organization of primitive education.

After discussing the unstable, intermittent, brittle bond of primitive marriage, he concludes: "Is it not clear, then, that such a slack marriage relation, instead of wholesomely educating the child, must have left him without education, or what is worse, with an education in rebellion, looseness and egotism? In other words, it must have fostered in him qualities and habits which other social agencies were burdened with checking or weeding out."

In chapters dealing with the relations within the family, he points out that primitive parental regard and affection were rather economic, biologic, emotional, self-gratifying, than rational or conducive to the child's own welfare, and the educational function is almost entirely lacking.

A survey of the phenomenon of education in its rudimentary form as exhibited in imitation, drill, harsh discipline, imitation ceremonies, play, dancing, etc., reveals the fact that the "aim, the content, the methods, and the organization of primitive instruction were predominantly public and communal in their nature; and that the family occupied only a subordinate position in education."

His general conclusion is that those who have sought to find in the family

"the type and foundation of all education" have ventured upon a foolish quest.

While many of his generalizations seem to be based upon insufficient data, and numerous conclusions are a bit dogmatic, the work is an exceedingly valuable one among inductive studies in education, especially at a time when foundations are being reexamined.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

TRIDON, ANDRÉ. *The New Unionism*. Pp. 198. Price, \$1. New York: B. W. Huebsch, 1913.

Whether or not we approve of the methods or philosophy of "The New Unionism" can make but little difference. The new labor movement which believes in unions composed of all workers in a trade, in direct action to accomplish its objects and also in the eventual establishment of "one big union," is among us. Any book which throws light on its aims, methods, or leaders is welcome.

In an exceedingly readable book, Mr. Tridon has given us a picture of this "practice which will enable the workers to assume as the return of their labor the full control of the various industries." He sketches this revolt against snobbish and selfish craft-unionism on the one hand, and slow-moving parliamentary socialism on the other. As to the genesis of the movement, he quotes Frederick Van Eden: "Syndicalism grew out of Socialism as the Reformation grew out of the old Christianity." The defense of direct action lies in the fact that it brings results. It consists of strikes and of sabotage. Continuous, short "irritation strikes" are disconcerting to the employer and have a greater chance for success than the old-fashioned long strike. There are three forms of sabotage:

1. "Active sabotage which consists in the damaging of goods or machinery.
2. Open-mouthed sabotage, beneficial to the ultimate consumer, and which consists in exposing or defeating fraudulent commercial practices.
3. Obstructionism or passive sabotage which consists in carrying out orders literally, regardless of consequences" (p. 43).

The author reviews the present situation in all countries, and it is surprising to note that the movement has spread, within a little over a decade, to almost all civilized countries. The facts as to the history and philosophy of the movement are stated sympathetically, but without prejudice and without sentiment.

ALEXANDER FLEISHER.

*Philadelphia.*

WARNE, FRANK J. *The Immigrant Invasion*. Pp. 336. Price, \$2.50. New York: Dodd, Mead and Company, 1913.

HOORWICH, ISAAC A. *Immigration and Labor*. Pp. xvii, 544. Price, \$2.50. New York: G. P. Putnam's Sons, 1912.

No clearer evidence that European immigration presents a most complicated problem to the American social student can be found than the appear-

ance of two books, within a short period of time, both of whose authors are in positions to observe the facts and record their results and yet whose conclusions are at radical extremes in regard to the effects of immigration upon the future of America. Mr. Warne in *The Immigrant Invasion* regards the inflow of immigrants as a danger if not a menace particularly to the American standards of living and conditions of employment. Mr. Hourwich in his volume on *Immigration and Labor* discusses practically every aspect of the objections raised by the restrictionists and by appeal to facts refutes the arguments.

Some contrasts may be of interest to the reader in order to show the different points of view of the two authors.

In corresponding discussions dealing with the foreigner in the mining industry, Mr. Warne argues that the Slav and Italian invasion of the anthracite industry resulted in the migration of the older English-speaking nationalities—they were forced out by the competition of cheaper labor. While the contest was not fought with swords and guns and pistols, it was none the less a battle. The result was a lowering of wages and a reduction in the standards of living.

Mr. Hourwich argues that the change was due to the attraction of the older immigrants to more remunerative fields and to better paid positions in mines and mills and the new immigrant was drawn by the demand of expanding business into the unskilled positions. Changes in wages are due not to the character of the miners but to the organization of the trust for the purpose of controlling the industry. He says, "It may be questioned whether this residue of English-speaking mine workers who are considered less efficient than the southern and eastern Europeans could have succeeded better . . . had there been no immigration from southern and eastern Europe." "The objection to the recent immigrant is accordingly inspired by pure and simple race prejudice."

In the steel industry, Mr. Warne declares that the un-American situation among the employees in Pittsburgh and South Bethlehem, including low wages and the twelve-hour day seven days in the week, "are due very largely to the free importation of large numbers of low wage workers." Again Mr. Hourwich contends that "long hours and Sunday work have not come with the new immigration. Sunday work has been general in blast furnaces in this country from the beginning." "The Amalgamated Association of Iron and Steel Workers, composed largely of the older immigrants, in the days of its power raised no objection to labor on Sunday." This was an organization of skilled workers, however. In reality it has been "the men lower down" (the unskilled workers composed largely of the new immigrants, mostly Slavs) that have resisted these conditions. He quotes Fitch on the strike of 1909: "It has been thought that the Slavs were too sluggish to resist their employers and unable to organize along industrial lines. It was proved in this conflict that neither theory was correct."

In regard to wages and conditions of employment in general, Mr. Warne says: "It is important never to forget that the alien laborer wields the power of effective competition because he comes as a wage earner seeking a job.

He comes, too, as the possessor of a cheaper labor to sell. Into whatever industry he enters, this labor is sold in competition with the American wage earner, who is at a greater cost to produce his labor. It is this economic characteristic that has enabled the immigrant to put into operation in nearly all our great industries economic and social forces similar to those which have worked so much havoc the past thirty years to the employees in the anthracite industry . . . it is a battle on the part of the older immigrant races and the natives to protect their jobs and wages and defend their standards of living." Mr. Hourwich says: "The labor market being normally overstocked, it sounds possible that the immigrant who is accustomed to a lower standard of living at home than the American workman, will be able to underbid and displace his American competitor. If this view were correct, we should find, in the first place, a higher percentage of unemployment among the native than among the foreign born bread-winners. Statistics, however, show that the proportion of unemployment is the same for native and foreign born wage earners. The immigrant has no advantage over the native American in securing or retaining employment. In the next place, we should find more unemployment in those sections of the United States where the immigrants are most numerous. In fact, however, the ratio of unemployment in manufactures is the same in the north Atlantic states, with a large immigrant population, as in the south Atlantic states where the percentage of foreign born is negligible." Unemployment was least during the period of the highest tide of immigration, and the average number of days of employment per wage earner increases as immigration increases and declines as immigration declines.

Both these volumes are instructive and interesting reading and present the subject from different points of view. It is worth while for any student who is interested to hear both sides of the evidence before forming too positive conclusions.

J. P. LICHTENBERGER.

*University of Pennsylvania.*

WITHERS, H. *Money Changing*. Pp. viii, 183. Price, \$1.75. New York: E. P. Dutton and Company, 1913.

It is to be hoped that some one will soon popularize American finance as Mr. Withers has that of England. His previous works, *The Meaning of Money* and *Stocks and Shares* covered the two most important phases of local finance. This last volume treats of foreign exchange in an equally clear and interesting manner.

It is difficult to indicate strong points when the entire treatment is so excellent, but emphasis should be given to chapter VIII, on bullion and exchange. The author here avoids the common error of viewing gold movements as always determined by the rise or fall of exchange to certain "gold points" and shows that these movements often occur in apparent defiance of all theories. He enumerates the leading reasons for these irregularities, showing that the profit may come from other sources than the exchange itself. Some of these are the advertisement to the importing firm, the stimulating

effect of gold imports on speculative stock markets, and the fact that the gold may be used as a basis for a large extension of credit.

The only error of importance is a failure to understand the readiness with which our various forms of "legal tender" may be converted into gold. Repeated reference is made to the fact that our silver coins and much of our paper money are not direct promises to pay gold, and the conclusion is drawn that "gold can usually be had in America in normal times, though not necessarily or as a matter of unquestioned right."

This ignores the effect of the currency act of 1900, which orders the secretary of the treasury to maintain all forms of money issued or coined by the United States at a parity of value with gold. This can be done and is done only by prompt redemption of all forms of money with gold at the treasury. Any difficulty that may be experienced in the United States is to be attributed to the failure of our banks always to meet their obligations on demand, and not to any difficulty in redemption when one has other forms of money to offer.

E. M. PATTERSON.

*University of Pennsylvania.*

WOODS, F. A. *The Influence of Monarchs.* Pp. xiii, 422. Price \$2. New York: The Macmillan Company, 1913.

This is a unique book comprising a detailed analysis of the history of individual countries, and a careful summary of the characteristics of their respective monarchs. The attitude of mind in which Professor Woods approaches the subject is clearly shown by this statement (p. viii): "If the differences among the kings of history, whose varying types range all the way from imbecility to genius and from bestiality to heroism, are in their essence caused by qualities contained in, and carried by, the germ-plasm from which they have been engendered; and if these differences among rulers have been of such transcendent importance, then the master key of history is heredity."

The analysis which follows this statement shows a remarkable coincidence between great rulers and great epochs, and also a remarkable coincidence between ineffective rulers and decadent epochs. The facts plainly tally, but does the conclusion that the rulers are personally responsible for the epochs hold true?

The author has taken the notable episodes in history and the notable monarchs, matched them against one another, and found that they conform to a surprising degree. On this basis of fact he has laid the assumption that the monarch was the cause of the epoch. It might be germane to ask whether it necessarily follows that all of the monarchs of potential ability revealed themselves in great historic epochs. A close parallel to this situation is revealed by Odin in his study of genius in France. Odin shows conclusively that the chateaux of France produce a far higher proportion of geniuses than the rest of the country. Query: Was the higher percentage of achievement of the chateaux the result of heredity or opportunity? Odin concludes his careful analysis with the belief that opportunity played a very large part in the result.

Professor Woods assumes that if the curves of notable monarchs and notable epochs match, one must be the cause of the other. He thereby states his conclusion in his premise, and reaches his result before he has even begun to prove his case. No one will question the statement that at certain great historic periods great monarchs have appeared. It is, however, pertinent to ask whether the period caused the monarch or the monarch the period. So far no work on history, including the present work by Professor Woods, has given a conclusive answer.

SCOTT NEARING.

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